

REPORT BY THE
AUDITOR GENERAL
OF CALIFORNIA

**A COMPREHENSIVE REVIEW OF
MANAGEMENT PRACTICES AT
FOLSOM STATE PRISON**

REPORT BY THE
OFFICE OF THE AUDITOR GENERAL

P-529, VOLUME 2
A COMPREHENSIVE REVIEW OF MANAGEMENT PRACTICES
AT FOLSOM STATE PRISON

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Telephone:
(916) 445-0255

STATE OF CALIFORNIA
Office of the Auditor General

660 J STREET, SUITE 300
SACRAMENTO, CA 95814

Thomas W. Hayes
Auditor General

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P-529, Volume 2

Honorable Art Agnos, Chairman
Members, Joint Legislative
Audit Committee
State Capitol, Room 3151
Sacramento, California 95814

Dear Mr. Chairman and Members:

The Office of the Auditor General presents its report concerning Folsom State Prison. The overall management and administration of the prison needs to be improved. There are numerous problems at the prison that are costing the State hundreds of thousands of dollars annually. Through better administrative control, these costs could be reduced and operations streamlined.

Our report is issued in two volumes. This volume presents our detailed audit findings and recommendations that are intended to strengthen overall administrative and fiscal controls at the prison. Volume 1 provides a brief overview of our findings.

Respectfully submitted,


THOMAS W. HAYES
Auditor General

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INTRODUCTION

Folsom State Prison, one of 13 prisons operated by the California Department of Corrections, is responsible for the confinement, care, treatment, and training of approximately 3,000 men whom the courts have convicted of committing serious crimes. Folsom is one of the Department of Corrections' three maximum security institutions. Among its inmates are those serving long sentences, habitual criminals, hard-to-manage inmates, and inmates who are a risk to the safety of others.

First opened in 1880, Folsom is the State's second oldest prison. Located 22 miles east of Sacramento, the institution and its grounds occupy 1,173 acres. The main facility comprises 40 acres of walled enclosures. Within these enclosures are three blocks of cells for the prison's general population (regular) inmates and two security housing units (SHUs) for maximum security inmates who cannot be safely included in the general population. Outside the main facility is a 410-man minimum security camp known as Folsom Minimum. Also outside the main facility are 45 houses, 40 of which the prison rents to state employees.

Folsom, like the other prisons, receives newly sentenced inmates from reception centers in northern and southern California. At these reception centers, Department of Corrections staff use a point scoring system to classify inmates according to their security risk, that is, their potential for escape or violence. This classification system is based on factors such as criminal history and length of current sentence. Security risk levels include Level I (minimum security), Level II and Level III (medium security), and Level IV (maximum security). After determining an inmate's level, the staff assigns the inmate to an institution that is best suited to the individual's security risk level. The Department of Corrections' goal is to place inmates in the lowest security level that will ensure the public safety.

Folsom also receives inmates whom the Department of Corrections' central office has authorized for transfer from other prisons because of disciplinary infractions and because of crowded conditions in the other prisons. Inmates transferred include not only maximum security inmates but also medium and minimum security inmates whose classification levels the Department of Corrections has overridden because of disciplinary infractions. However, a classification staff representative from the Department of Corrections must approve these transfers as well as all other transfers.

Folsom's expenditures for fiscal year 1984-85 totaled more than \$43 million. The prison has approximately 832 authorized employee positions, 598 of which are for uniformed correctional officers and other security-related personnel. The prison's chief executive officer is the warden. Under the provisions of the Penal Code and Title 15 of the California Administrative Code, the warden is responsible to the director of the Department of Corrections for the operation of the prison.

The chief deputy warden assists the warden in the daily operation of the prison. The chief deputy warden oversees the activities of the prison's four associate wardens as well as the activities of the chief medical officer and the chief dental officer. Further, the chief deputy warden is responsible for investigating assaults and other crimes that inmates commit and for monitoring organized gang activity within the prison. In addition, he supervises several administrative support positions, including that of the training officer.

The associate wardens administer the following divisions:

Custody Division - The Custody Division, under the direction of the associate warden for custody, is responsible for the confinement and control of all inmates except for those at Folsom Minimum. The division's correctional officers conduct armed surveillance of inmates

from gunwalks inside buildings and from towers around the prison. However, because most officers work among inmates, they do not carry firearms to prevent inmates from overpowering them and capturing these weapons. The Custody Division also makes all inmate work assignments, including those to the license plate, metal fabrication, and metal sign factories operated on the prison grounds by the Prison Industry Authority.* Finally, the division operates the prison's mail room and the program under which inmates receive visitors.

Classification Division - The Classification Division is administered by the associate warden for classification. The division is responsible for conducting initial and periodic assessments of each inmate's stability and for recommending to a committee of prison administrators one of eight custody levels. These custody levels range from maximum custody--under which inmates are essentially restricted to a security housing unit and require continuous surveillance--to minimum custody, under which inmates can leave the prison to work and are supervised intermittently. The division is also responsible for counseling inmates and matching their education, work experience, interests, and required custody level with appropriate work or training assignments. Further, the division is responsible for providing the prison's academic and vocational education programs. In addition, the division compiles and maintains various records on inmate behavior, job performance, and progress in completing training programs to determine inmates' release dates and their transfer potential to lower security prisons. The division also runs the prison library; supervises inmate recreation, including arts and crafts; and provides chaplain services.

*The Prison Industry Authority, governed by the Prison Industry Board, operates independently of the Department of Corrections. It uses inmate labor to manufacture and sell various products to public agencies, including the Department of Corrections, to provide inmates with constructive work and to reduce the cost of maintaining the prison system.

Program Services Division - The Program Services Division, supervised by the associate warden for program services, is responsible for operating Folsom Minimum. In addition, this division coordinates an appeals process that allows inmates to file complaints against the prison. The division is also responsible for developing programs and procedures for creating work and training assignments for inmates under the Department of Corrections' Inmate Work/Training Incentive Program. Eligible inmates can earn up to one day off their sentences for every day they participate in the program. Inmates with work assignments can also receive pay of between \$17 and \$39 per month.

Business Services Division - The Business Services Division, supervised by the associate warden for business services, is responsible for accurately accounting for and controlling the prison's use of state, inmate, and other funds. It oversees the procurement of goods and services, the hiring of employees, as well as the maintenance of personnel records. The division is responsible for the feeding of inmates and for ensuring that the prison's buildings, equipment, and vehicles are properly maintained. It also operates the prison's fire department and a small store where inmates can buy cigarettes and other items.

The Department of Corrections' prisons are experiencing a rapid rise in their inmate populations. Between June 30, 1975, and July 1, 1985, the inmate population rose from 23,998 to 47,075 inmates, an increase of 96 percent. As of July 1, 1985, the designed capacity of the State's penal institutions was 29,042. Therefore, the occupancy rate for state institutions was 162 percent of designed capacity. According to Department of Corrections projections, the inmate population is expected to increase to 56,335 by June 30, 1989. A \$1.2 billion New Prison Construction Program to renovate and expand existing institutions and to build at least ten new prisons and eight conservation camps is underway to alleviate this overcrowding. In addition, Senate Bill 253 (Chapter 933, Statutes of 1985) authorizes the Department of Corrections to take interim measures to alleviate

overcrowding until the new prisons are completed. Among these measures are constructing temporary housing and contracting with sheriffs for placing inmates in county facilities.

Folsom's occupancy level (148 percent of designed capacity) has been less severe than that of other prisons partly because of the Toussaint vs. McCarthy permanent injunction, which prohibits the housing of more than one inmate per cell in the security housing units. This permanent injunction also requires the prison to provide specified sanitation conditions for security housing unit inmates.

Over the past year, Folsom has experienced numerous instances of violence by inmates, including stabbings of other inmates and assaults on staff. Between January 1, 1985, and June 30, 1985, there were 127 assaults on inmates (including two fatalities) and 47 assaults on staff. Inmates committed another five homicides between July 1, 1985, and December 1, 1985. Prison administrators attribute some of the violence to gang rivalries. As a result of these incidents of violence, the prison's wardens have instituted a series of emergency "lockdowns." Under lockdown conditions, the warden suspends part or all of the prison's normal routine and confines inmates to their cells while prison staff investigate the incident, search for weapons, and perform other tasks related to the lockdown. During fiscal year 1984-85, there were 142 days of full or partial lockdown. Each lockdown period at Folsom continued from one to 47 days.

As a result of the violence and of complaints against a former Folsom warden at the warden's legislative confirmation hearings in early 1985, the Department of Corrections appointed a management assessment team of six administrators from other prisons to review Folsom's management. The assessment team, which began working on July 17, 1985, reviewed numerous aspects of the prison's operations, including prison security and personnel practices. It recommended various improvements, including revising the prison's organizational structure.

Since January 1, 1985, three people have held the position of warden at Folsom. The current warden assumed the position toward the end of our audit. In addition, the prison hired new associate wardens for business services and custody.

Scope of Work

The purpose of this audit was to evaluate the management of Folsom State Prison. In order to do so, we reviewed the operation of most of the major functions performed by the prison. The extent to which we reviewed these functions is specified in each chapter of this report. We did not review security measures at the prison; however, we hired a consultant to do this. Also, we did not review the operation of Folsom Minimum or the Prison Industry Authority's management of the prison industries program. Further, we did not review the dental, medical, or psychiatric treatment of inmates or the operation of some smaller functions such as firefighting.

Our report on the management of Folsom has been issued in two volumes. The first volume (Report P-529, Volume 1) is the report summary. This volume (Report P-529, Volume 2) is the report's main body, which is divided into 16 chapters. Each chapter begins with a summary and a background section on the functions covered by that chapter. We then present our analysis of each item we reviewed during our audit of the prison.

CHAPTER I
MAINTAINING PRISON FACILITIES

Folsom's Plant Maintenance and Operations Department (maintenance department) has not maintained the prison in optimal working condition. It has not implemented a required preventive maintenance program for routinely inspecting and servicing the prison's plant and equipment. Instead, department staff attempt to repair and service plant and equipment only after problems arise. This practice can result in costly and unnecessary repairs, inefficient operations due to breakdowns, and higher long-term costs due to accelerated deterioration of plant and equipment. In addition, the department cannot locate some work orders and has not assigned a priority to other work orders so that staff can determine the order in which repair projects should be worked on. As a result, repairs of hazardous conditions are unnecessarily delayed or left undone.

Although the Department of Corrections and Folsom have not completed all of the facility improvements that the Toussaint vs. McCarthy permanent injunction requires for Folsom's security housing units, they have provided the federal court with specific long-range plans to meet these requirements. The court has not assessed any penalties against Folsom for noncompliance with these requirements because Folsom has made a "good faith" effort to meet court deadlines. Finally, the maintenance department and Folsom's procurement office have managed Folsom's construction contracts in compliance with state contracting requirements.

Background

Folsom's Plant Maintenance and Operations Department (maintenance department), within the prison's Business Services Division, is responsible for maintaining the prison's buildings, facilities, and equipment in optimal working condition. The chief of plant operations

is responsible for the overall operation of the maintenance department. He supervises a staff of 39 employees and up to 89 inmates. These employees and inmates work in eight specialized shops. These shops perform such work as carpentry, electrical, plumbing, engineering, and boiler maintenance. During fiscal year 1984-85, the department spent approximately \$4 million on its maintenance operations.

The maintenance department is responsible for conducting a preventive maintenance program that consists of the routine servicing and inspection of Folsom's plant and equipment. A preventive maintenance program's purpose is to maximize the life of plant and equipment and to detect problems before they become serious enough to require extensive and costly repairs or complete replacement. Finally, because all plant and equipment items eventually wear out, the preventive maintenance records provide the basis for planning and justifying the replacement of these items.

The maintenance department uses a work order system (written requests for repair work from prison staff) to identify plant and equipment items needing repair. Currently, the maintenance department receives work orders in triplicate. The chief of plant operations is responsible for assigning priorities to the work orders and distributing copies to the appropriate shop supervisors. The shop supervisors are then responsible for seeing that the repairs are made. When shops complete the repairs, the supervisors are to write on the work order the date the repair was completed and return the work order to the chief.

The maintenance department also routinely undertakes some special capital outlay repair projects that the Department of Corrections has approved as necessary for maintaining prison facilities. The maintenance department may complete these projects using its own staff and inmate labor, or it can contract with outside vendors to complete these projects. However, if the chief of plant operations elects to contract with private vendors, he must execute these construction

contracts and ensure that the contractors complete the projects in accordance with prescribed procedures in the State Administrative Manual.

In October 1984, Folsom became responsible for improving the conditions in its security housing units to comply with the Toussaint vs. McCarthy permanent injunction (Toussaint injunction). Folsom's warden delegated to the maintenance department the responsibility for complying with the Toussaint injunction's maintenance requirements that Folsom has the authority and budgeted funds to carry out. However, the Toussaint injunction also requires Folsom to improve other conditions that Folsom cannot immediately address. Thus a court-appointed monitor requires Folsom and the Department of Corrections to submit detailed plans for accomplishing the improvements.

Item 1.1 **Folsom Lacks a Preventive Maintenance Program for Its Plant and Equipment**

Compared to other government agencies, the prison's Plant Maintenance and Operations Department (maintenance department) has almost no preventive maintenance program. The lack of such a program can result in costly and unnecessary repairs, inefficient operations due to breakdowns, and higher long-term costs due to the accelerated deterioration of plant and equipment. The maintenance department does not have a preventive maintenance program because maintenance staff in the past believed preventive maintenance was not as important as other maintenance department duties. Further, the chief of plant operations believes much of the plant and equipment has deteriorated beyond the help of a preventive maintenance program. Finally, the chief of plant operations believes he does not have enough staff and skilled inmate help to implement a preventive maintenance program.

Audit Scope, Objectives, and Methods

To determine whether Folsom's maintenance department has an adequate preventive maintenance program for the prison's plant and equipment, we interviewed maintenance department supervisors and sampled from the department's maintenance files 47 equipment items that were located throughout the prison. We selected four locations within the prison that housed equipment. Twenty-two of the 47 equipment items in our sample were assigned to one of these four locations. We visited the four locations to determine whether the shop responsible for the equipment adhered to preventive maintenance program criteria. Further, we reviewed the preventive maintenance programs of the United States Navy and the Department of General Services' Buildings and Grounds Division.

Analysis

Regularly inspecting and servicing plant and equipment is an important and necessary maintenance function known as preventive maintenance. Preventive maintenance includes activities such as inspecting buildings for structural integrity as well as inspecting motors and pumps for corrosion and leaks, lubricating them, and cleaning them. The routine inspections are designed to identify plant and equipment items that need to be repaired or replaced before premature deterioration or a malfunction occurs. Without a preventive maintenance program, a maintenance organization may repair plant and equipment items only after they have become a problem or have ceased performing their intended function. This technique can result in costly and unnecessary repairs, inefficient operations due to breakdowns, and higher long-term costs because of accelerated deterioration of plant and equipment.

Government agencies have recognized the need for preventive maintenance. The Department of General Services has a preventive maintenance program for maintaining state buildings and equipment. The United States Navy also has a preventive maintenance program. These

agencies have outlined specific steps for establishing these programs. In addition, Folsom recognizes the need for a preventive maintenance program. Warden's Directive 408 states that the Plant Maintenance and Operations Department is responsible for conducting preventive maintenance on a regularly scheduled basis. Prison guidelines developed in 1979 established preventive maintenance check-off cards for the maintenance staff to record the service they perform on all major and heavy equipment used throughout the prison.

Both the Department of General Services and the United States Navy have established preventive maintenance programs that include the following major steps:

1. Prepare a comprehensive list of all plant and equipment items that are the maintenance department's responsibility and determine which of them should be routinely inspected and serviced. Although all facilities should be inspected, it may not be economical to inspect and service all items. It may be more economical to replace some low-cost equipment when it breaks down than to regularly maintain it. The annual operation and maintenance costs for these items should be an important consideration.
2. Obtain and review appropriate manufacturers' operational and maintenance manuals to determine necessary routine inspection and service requirements. If manuals are not available, staff should use their experience to determine inspection and service requirements.
3. Establish a formal preventive maintenance schedule that includes checklists of the inspections and servicing to be accomplished, the frequency of inspections and servicing, and the standard time it takes to perform the inspection and servicing of each item.
4. Use the appropriate checklists to inspect and service plant and equipment items, and note the condition of each item inspected by

using maintenance cards. In addition, report any items needing repair or replacement, and record the actual time required to inspect and service the plant and equipment.

5. Schedule the next inspection and servicing for the item in question.
6. Periodically review the preventive maintenance program to ensure work is accomplished as planned, that standard times and scheduled frequencies are reasonable, and that facilities and equipment are neither overmaintained nor undermaintained.

Despite the importance of a preventive maintenance program and the Warden's Directive 408 requirement for this program, Folsom's maintenance department does not have a formal program with schedules and checklists that itemize specific steps for conducting preventive maintenance. The department does not have a list of all plant and equipment items needing routine inspection and maintenance. It has only maintenance cards that a staff member developed during the 1960's from inventory cards of major and heavy equipment. However, since 1977, the maintenance department had used none of the 47 preventive maintenance cards we sampled. Further, we traced 22 of the 47 equipment items to their assigned locations in the laundry, the kitchen, the machine shop, and other locations. Most staff in these locations stated that they serviced and repaired the equipment either when they thought it was needed or when it broke down. They do not have or adhere to maintenance schedules and checklists and they do not record on maintenance cards the maintenance work performed. We also visited the boiler room, which was reconstructed in January 1984, and we found that the staff there used checklists and maintenance cards to record the inspection and servicing of the boiler room equipment but did not, however, record the amount of staff time required for this maintenance work.

The chief of plant operations confirmed that the maintenance department does not have a preventive maintenance program for its plant and equipment. He stated that, in the past, he and his maintenance staff have not agreed on the importance of preventive maintenance, and, as a result, it has had a low priority among the maintenance staff at the prison. He further stated that much of the prison's plant and equipment is so deteriorated that it is beyond the help of preventive maintenance.

According to the assistant chief of buildings and grounds for the Department of General Services, much of Folsom's plant and equipment is, indeed, severely deteriorated, and some of Folsom's buildings, which were built at the turn of the century, have outlived their life expectancy. Moreover, overcrowding strains the capacity of these facilities to fulfill their designated functions. He further stated that, although the advanced age of certain plant and equipment items has contributed to their dilapidated condition, the maintenance department's lack of preventive maintenance has also contributed to their condition. In addition, without the inspection reports, prison management lacks a valuable information source by which to support budget requests for repair and replacement of deteriorated facilities.

The chief of plant operations also stated that he does not have enough staff and skilled inmate help to conduct preventive maintenance and simultaneously correct all of the prison's maintenance deficiencies.* As discussed in Item 1.2, the maintenance department has a backlog of work orders. In addition, it has been repeatedly criticized by the Department of Health Services for failing to correct health and safety deficiencies throughout the prison. Further, the maintenance department is attempting to comply with the Toussaint vs. McCarthy permanent injunction (Toussaint injunction), which requires that Folsom

*In Item 3.3 of this report, we recommend a means for the maintenance department to acquire more skilled inmate help.

provide sanitary and healthful conditions for inmates living in its security housing units (SHUs). The Toussaint injunction ordered Folsom to provide properly functioning toilets and sinks; adequate lighting, heating, and ventilation; sound-absorbing wall coverings; and sanitary conditions for food storage and preparation.

The maintenance department may, indeed, be understaffed. According to data from the Department of Corrections, Folsom has the lowest maintenance staff-to-inmate ratio of any facility within the Department of Corrections. Folsom has one maintenance person for every 110 inmates; the department-wide average ratio is one maintenance person for every 76 inmates. However, because the maintenance department has not undertaken the previously cited steps for implementing a preventive maintenance program, it knows neither the scope of, nor the staff time required for, such a program. Consequently, it is less able to justify a need for more staff. Moreover, performing preventive maintenance could reduce the work orders and deficiencies the chief of plant operations cited as preventing him from accomplishing preventive maintenance.

In July 1985, Folsom's maintenance department developed an outline for a preventive maintenance program for its security housing units in response to the Toussaint injunction. However, the plan includes neither checklists with detailed steps for inspecting and servicing plant and equipment nor standard times for determining staffing requirements for accomplishing all the work.

In addition, in October 1985, the associate warden for business services instructed the chief of plant operations to begin developing a preventive maintenance program for the entire maintenance department.

Conclusion

Folsom's Plant Maintenance and Operations Department has not implemented an adequate preventive maintenance program to maintain all

of the prison's plant and equipment. Lack of a preventive maintenance program can result in costly and unnecessary repairs, inefficient operations due to breakdowns, and higher long-term costs due to accelerated deterioration of plant and equipment.

Recommendation

The associate warden for business services should require the Plant Maintenance and Operations Department to take all the steps necessary to implement a preventive maintenance program. These steps should include a review of the maintenance department's inventory of plant and equipment, identification of those items needing regular inspections and servicing, development of detailed checklists and standard times for accomplishing the work, and establishment of inspection schedules. The maintenance department should use the checklists and the standard times required to analyze how many and what type of staff are necessary to carry out a preventive maintenance program. This analysis should provide the basis for any staffing changes the prison proposes to the Department of Corrections.

Item 1.2 Folsom's Plant Maintenance and Operations Department Has Misplaced Some Work Orders and Has Not Effectively Assigned Priorities to Others

The Plant Maintenance and Operations Department (maintenance department) has not effectively managed its work orders as required by Folsom guidelines. The department cannot locate all work orders that it receives. In addition, the chief of plant operations has not designated in writing the priorities he is required to assign to work orders so that maintenance department staff can determine the order in which repair projects should be worked on. As a result, repairs of hazardous conditions are unnecessarily delayed or left undone.

Audit Scope, Objectives, and Methods

To determine whether the Plant Maintenance and Operations Department effectively manages its work orders, we selected a sample of 89 of 270 work orders that the maintenance department received during fiscal year 1984-85. We also reviewed work orders relating to conditions affecting security, health, fire, life, and safety matters to evaluate the priority that the maintenance department assigned to them. Similarly, we identified hazardous conditions that were cited in six recent reports by the Department of Health Services and reviewed available work orders to assure that the maintenance department assigned appropriate priorities to the work orders intended to correct the hazardous conditions.

Analysis

The Plant Maintenance and Operations Department uses a work order system to identify repairs needed for the prison's facilities and assigns these work orders to its maintenance staff to complete the jobs. However, the maintenance department is misplacing work orders, and maintenance department personnel are unsure whether any of the work specified on the missing work orders was ever completed. We could not locate in either the chief of plant operations' office or the various maintenance shop supervisors' offices 31 (35 percent) of the 89 sampled work orders that the maintenance department received during fiscal year 1984-85. The carpentry shop was missing 24 (77 percent) of the 31 work orders, and neither the chief nor the carpentry shop supervisor could determine whether the jobs had been completed.

Until March 1985, when the maintenance department began using a triplicate work order form, the maintenance department used a single-copy form. The chief of plant operations could not keep track of the single-copy work orders because the supervisors retained the only copy. Of the 31 missing work orders, 25 were single-copy work order forms the maintenance department used until March 1985. The other 6 that we could not find were the new triplicate work orders.

In addition to the above reasons for poor control over work orders, we also found the chief of plant operations' method for keeping track of the work orders to be deficient. Although his office's clerical staff record in a work order log the date the office receives a work order request and the name of the maintenance shop to which the work order is assigned, they do not always record the date when the maintenance staff completed the work. Further, the logs do not provide a space for clerical staff to record the priority that the chief of plant operations assigned to the work order. Without this additional information, the log does not always assist the chief of plant operations in ensuring that work orders are not misplaced and that maintenance department staff are completing work orders according to the priority he has assigned to them. With the maintenance department's new triplicate work order form, the chief of plant operations can more easily track work in progress; however, maintenance supervisors were still unable to locate 6 of the 31 new work orders. One reason for this is that the maintenance supervisors may not be returning all work orders to the chief of plant operations upon completion of repairs.

In addition, the lack of a control system over work orders makes it difficult for the chief of plant operations to know which jobs have been completed and which remain unfinished. When work orders are lost, other prison personnel must resubmit work order requests to get repairs completed. This practice is not only inefficient, but it also frustrates prison staff. A prison chaplain stated that he no longer submitted requests for repairs because of lack of response by the maintenance department. Furthermore, hospital staff submitted two requests since 1983 for the department to construct medical cabinets in the hospital pharmacy so that medicine could be stored on shelves instead of on bare floors. Although these requests were submitted to correct deficiencies that the Department of Health Services' consultants cited in their May 1985 and June 1984 environmental health reports, the medicine was still being stored on the floor as of October 1985. In another case, for over two years, the maintenance

department did not cover a sewage pipe that it left uncovered after removing a cracked urinal in a patient ward in 1983. The open pipe created potential health hazards for staff and inmates.

In addition to the problem of misplaced work orders, the chief of plant operations is not providing adequate direction on the order in which his staff should complete work orders. Folsom's Warden's Directive 408 makes the chief of plant operations responsible for establishing the priority of maintenance work on the prison facilities. The chief of plant operations said that he reviews work orders and assigns them to the appropriate maintenance shop supervisor with instructions to complete first any work orders involving security, health, fire, life, and safety conditions. Most of the time, however, the chief of plant operations does not indicate on the work orders whether or not the work orders are related to such conditions.

For the 58 work orders in our sample that we could locate, 47 (81 percent) had no written instructions on priority from the chief of plant operations, even though they appeared to be related to security, health, fire, life, and safety conditions. For example, one work order that the electrical maintenance shop received in March 1985 requested that staff remove exposed wiring that had been left hanging from an office wall for over one year; this was the second request for the work. As of November 1985, the work was still undone. Also, in April 1985, a work order requested the maintenance department to replace a faucet sprayer on a sink and to raise higher off the floor the steam pipes under a dishwasher. According to a supervising cook, this lack of repairs on the dishwasher posed a health and safety hazard because inmates burn themselves when they clean underneath it. The maintenance department still had not done the work nor had the chief of plant operations assigned a priority to the work order seven months later.

In the absence of written instructions, staff may complete low-priority work ahead of high-priority work. Although we did not find specific

cases of low-priority work completed ahead of work involving conditions that may affect security, health, fire, life, and safety, the potential still exists because of deficiencies in the work-order system.

Corrective Action

During our review, the chief of plant operations developed and implemented procedures for reviewing all work orders that his department receives. The chief of plant operations delegated to his assistant the responsibility for implementing the procedures. On work orders related to health and safety, security, and life-threatening conditions, the assistant is to indicate that these work orders are first priority. When other departments submit work orders that involve health or safety problems, the assistant must also verify the nature of the problem before assigning it first priority. Finally, the assistant is requiring that maintenance department staff complete these first priority work orders within 24 hours and inform him if they cannot do so.

Conclusion

Folsom's Plant Maintenance and Operations Department has not adequately documented the priorities assigned to work orders, and it cannot locate all work orders that it receives. Consequently, the repair of health and safety hazards has been unnecessarily delayed.

Recommendation

Folsom's chief of plant operations should continue his efforts to set priorities and better control work orders so that they may be tracked, completed according to their priority, and returned to his office. The chief of plant operations should define in written guidelines what constitutes a "first-priority" work order. The assistant to the chief of plant operations should also record in the work order log the priority of each work order and the date the work order is completed,

and then file the work orders in numerical order. The chief of plant operations should routinely track the progress of all work orders, follow up on all first priority work orders not complete, determine their status from supervisors, and provide a monthly report to the warden.

Item 1.3 **Folsom and the Department of Corrections Have Planned for Compliance With the Toussaint Injunction**

Although the Department of Corrections and Folsom have not completed all of the facility improvements that the Toussaint vs. McCarthy permanent injunction (Toussaint injunction) requires for Folsom's security housing units (SHUs), they have provided the court with specific long-range plans to meet these requirements. Moreover, the monitor appointed by the court reported that the plans the department submitted were generally acceptable and that he has not assessed any penalties against Folsom for noncompliance with these requirements because Folsom has made a "good faith" effort to meet court deadlines.

Audit Scope, Objectives, and Methods

To determine whether Folsom and the Department of Corrections have complied with the requirements of the Toussaint injunction for improving Folsom's SHUs, we reviewed the requirements outlined in this injunction that are related to the improvement and maintenance of the facilities. We compared these requirements with the deficiencies cited in the federal court monitor's first report of June 1985 and in the November 1985 draft of his second report. Further, we reviewed several interim reports that Folsom and the Department of Corrections submitted to the court monitor documenting their plans to meet the requirements and the specific deadlines that had been met. Finally, we interviewed the court monitor to document the current status of the plans the department submitted and to document any penalty assessments for noncompliance that had been levied against Folsom.

Analysis

On October 18, 1984, in a decision on the Toussaint vs. McCarthy case, a United States District Court of California issued a permanent injunction that established specific requirements that Folsom must meet for improving the conditions in the SHUs. The Toussaint injunction requires Folsom to provide adequate heating and ventilation, to install sound-absorbing wall coverings in Folsom's SHU II building, and to provide adequate plumbing, sewage, and electrical systems. The Toussaint injunction also requires Folsom to maintain general sanitary conditions in its SHUs, such as clean tiers, floors, and plumbing areas, and to remove any standing water. Folsom must also store, prepare, and serve food in sanitary conditions. Further, Folsom must employ a full-time pest control technician to eradicate vermin. The warden gave Folsom's Plant Maintenance and Operations Department the responsibility for complying with the maintenance items that Folsom itself can carry out. The court appointed a monitor to report on the compliance of Folsom and the Department of Corrections with the Toussaint injunction. Further, the court authorized the monitor to recommend penalty assessments, such as \$500 per day, if Folsom does not comply with the Toussaint injunction.

Although Folsom has not completed all the required maintenance-related facility improvements, since December 1984, Folsom and the Department of Corrections have provided the court monitor with periodic reports on specific milestones and plans for accomplishing the improvements. Folsom and the Department of Corrections did not submit each plan promptly; however, the court monitor reported that the plans were generally acceptable, even though some work will not be completed until 1993. For example, Folsom and the Department of Corrections submitted plans to improve sanitary conditions for food storage and preparation in Folsom's kitchen and bakery facilities. This project is not scheduled to begin until March 1987; it is scheduled to be completed in January 1989. Folsom and the Department of Corrections also submitted plans for structural renovation of SHU I and SHU II. These plans

address such problems as inadequate heating, ventilation, plumbing, and electrical systems; however, this renovation project is not scheduled to begin until April 1991 and is scheduled to be completed in February 1993. The court monitor reported in November 1985 and also told us in December 1985 that he has not recommended that the court assess any penalties against Folsom for not completing these projects because Folsom and the Department of Corrections have made "good faith" efforts to meet deadlines imposed by the court.

Conclusion

Although Folsom and the Department of Corrections have not completed all the facility improvements for its SHUs that the Toussaint injunction requires, they have complied with the court monitor's recommendations to submit periodic reports on their plans to meet these requirements. Moreover, the court monitor reported that the plans were generally acceptable, and he has not assessed any penalties against Folsom for noncompliance with the Toussaint injunction because Folsom has made "good faith" effort to meet deadlines.

Item 1.4 The Maintenance Department and the Procurement Office Have Managed Folsom's Construction Contracts in Compliance With State Contracting Requirements

The Plant Maintenance and Operations Department's and the procurement office's management of construction contracts for repairs to prison facilities complies with state contracting requirements. For example, the procurement office obtained at least three competitive bids, awarded the contracts to the lowest bidders, and obtained the appropriate approvals prior to starting the projects; the maintenance department conducted evaluations of all projects within the required 30 days after project completion.

Audit Scope, Objectives, and Methods

To determine whether Folsom's maintenance department and the procurement office managed contracts for repairs to prison facilities in accordance with selected State Administrative Manual (SAM) requirements related to public works contracts, we examined all six contracts that the maintenance department and the procurement office completed with private contractors during fiscal year 1984-85.

Analysis

Sections 1204 through 1218 and Sections 1261 through 1271 of the State Administrative Manual provide state agencies with requirements for entering into contracts with private companies for repairs to state facilities. The SAM requires agencies to advertise the contracts in the California State Contracts Register, obtain a minimum of three competitive bids, award the contract to the lowest bidder, and obtain the Department of General Services' approval prior to starting the project. The SAM also specifies that the contract must require the contractor to complete the project within a specified time and that the agency evaluate the contractor's work within 30 days of the date that the contractor completed the work.

The procurement office and the maintenance department complied with the contracting procedures in the SAM in all six contracts for repair of prison facilities that were completed during fiscal year 1984-85. The procurement office advertised the contracts in the California State Contracts Register, obtained at least three competitive bids for each project, awarded the contracts to the lowest bidders, and obtained the Department of General Services' approval prior to starting each repair project. Additionally, the maintenance department verified that the contractors completed the work within the periods specified in the contracts and evaluated the contractors' work within 30 days of the date that the contract work was completed.

Conclusion

The maintenance department and the procurement office followed prescribed state contracting procedures for all six of Folsom's repair projects that were accomplished by contract during fiscal year 1984-85.

CHAPTER II
PROVIDING VOCATIONAL EDUCATION TO INMATES

Folsom's vocational education program is deficient in providing vocational training to inmates. During fiscal year 1984-85, the vocational education program had low enrollment, poor attendance, and few course completions. In addition, timecards that record inmate attendance in vocational courses were completed inaccurately, and instructors credited inmates with hours toward course completion during which the inmates were actually in their cells. Finally, the supervisors of the vocational education program did not follow Department of Corrections regulations in administering the program at the prison. They appear not to have annually reviewed course outlines, instructional materials, and teaching methods. They have not called a meeting of the trade advisory committees in over two years, and they have not maintained the required inmate advisory committee or inmate safety committees.

The vocational education program's deficiencies have had four adverse effects. First, when inmates who are enrolled in vocational education do not attend or complete courses, they are unable to develop skills that will assist the prison and help them get jobs upon their release. Second, the State pays and credits inmates for class attendance on days on which they did not actually attend vocational classes. Third, inmates receive credit or certificates of completion that misrepresent the amount of their training. Fourth, when supervisors do not follow Department of Corrections regulations for administering the vocational education program, course content may be out of date, labor and industry support may be lacking, and inmates have fewer opportunities to contribute to the quality of the program.

Background

The Department of Corrections' education services unit establishes statewide policy for all educational programs at state prisons. Folsom's Classification Division is responsible for Folsom's education programs, which include the academic program and the vocational education program. The supervisor of correctional education programs oversees both of these educational programs; the supervisor of vocational instruction is responsible for the daily activities of the vocational education program. The Department of Corrections' objective for the vocational education program is to allow prisoners the opportunity to acquire vocational skills as well as to earn time off their prison terms through participation in the Inmate Work/Training Incentive Program (IW/TIP). The program also pays inmates from 13 to 30 cents per hour for attendance in vocational classes.

The Department of Corrections established a class enrollment goal of 24 students per class for all vocational education classes (unless otherwise specified) as of September 1985. (Prior to September 1985, the goal had been 20 students per class.) To meet this goal, Folsom must enroll a total of 264 inmates in its 10 vocational education classes; one class has a goal of 48 students. However, as of December 1, 1985, Folsom had only 185 inmates enrolled. All of the classes meet for 7 hours per day and require a minimum of at least 2,000 hours of class time to complete each course. Completing a course normally requires 16.67 months of consecutive attendance, excluding absences. When inmates complete the minimum number of class hours and demonstrate the vocational skills identified in the course curriculum, the instructor issues a certificate of course completion and an evaluation report that describes the inmate's vocational skills. The program at Folsom currently has one inmate enrolled in an 8,000-hour state apprenticeship program, and the Department of Corrections is considering expanding its apprenticeships into other courses.

The vocational education program at Folsom consists of the following ten courses: Auto Body and Fender, Auto Mechanics, Diesel Mechanics, Painting, Stockkeeping/Warehousing, Landscape Gardening, Printing/Graphic Arts, Mill and Cabinet Shop, Electronics, and Machine Shop. It employs 11 instructors (the Printing/Graphics Arts class has two instructors). The vocational education program at the prison spent approximately \$546,000 in fiscal year 1984-85.

Item 2.1 **Folsom's Vocational Education Program Is Not Meeting Enrollment or Attendance Quotas**

Folsom's vocational education program has not met enrollment quotas, has had low attendance, and has had few graduates. These deficiencies have been the result of racial tensions and frequent lockdowns, insufficient security in the vocational classroom area to supervise inmates requiring "close" custody, and transfers of students to other prisons. When inmates who are enrolled in vocational education do not attend or complete courses, they are unable to develop skills that will assist the prison and help them get jobs upon their release.

Audit Scope, Objectives, and Methods

To determine whether Folsom is enrolling sufficient numbers of inmates in vocational education classes to meet Department of Corrections requirements and to determine whether inmates are attending classes often enough, we reviewed instructors' class attendance records and the Custody Division gate logs for fiscal year 1984-85. These gate logs document the actual daily passage of inmates to all vocational classes (except to the printing/graphic arts shop), through the "lower yard" gate. We also reviewed the supervisor of vocational instruction's records of courses completed by inmates enrolled in fiscal years 1980-81 through 1984-85. We then reviewed monthly vocational education program reports and compared the data in these reports with Department of Corrections objectives for enrollment in vocational courses. We did not evaluate the quality of the curricula or the instruction of the vocational education courses.

Analysis

The Department of Corrections' Administrative Manual requires that institutions' vocational education programs provide inmates with the opportunity to obtain marketable skills "to the extent possible" before leaving the institution. In addition, the Department of Corrections specifies the number of inmates that institutions should enroll in each of the vocational education classes. During fiscal year 1984-85, Folsom offered ten vocational education classes. At the beginning of the fiscal year, Folsom offered eight classes. In January 1985, Folsom added two classes. Department of Corrections enrollment quotas totaled 168 students for the eight classes and 208 inmates for the ten classes.

Folsom reports show that the enrollment for its vocational classes averaged 165 students during fiscal year 1984-85, 23 students short of the Department of Corrections' average enrollment quota of 188 for the year. Attendance in vocational classes also was low during fiscal year 1984-85. The average number of students attending each vocational class was only 3.3 students per day. One reason for the low attendance is that Folsom spent a large number of days in "lockdown" between mid-October 1984 and July 1985. The supervisor of vocational instruction said that the vocational education program had not had a single day in which all classes were conducted between March and July 1985.

However, lockdowns are not the only reason for the low attendance. We found that the eight vocational classes offered during the first quarter of fiscal year 1984-85, when relatively few lockdowns occurred, still had low attendance. Although the eight courses generally met enrollment quotas, the average attendance for these courses ranged from .6 students per day to 14.5 students per day. The prison only experienced three days of lockdown during these three months; we excluded lockdown days from our calculation of average attendance.

In addition, only 44 students have completed vocational education courses in the past five fiscal years. Seven inmates completed courses in fiscal year 1983-84, and eight inmates completed courses in fiscal year 1984-85. However, in some of these cases, there are questions about the credit given for completing courses because students who completed courses received credit for training while spending considerable time locked in their cells. For example, during fiscal year 1984-85, two inmates received almost half of the total hours they earned in their courses while locked in their cells. (Refer to Item 2.3 for further analysis.)

Administrators in the Custody and Classification Divisions stated that conditions of increased racial violence at Folsom made full enrollment and attendance in vocational classes impossible during fiscal year 1984-85. We found that enrollment dropped from 96 percent in September 1984 to an average of 77 percent in February 1985, a period during which Folsom was locked down for three months. According to the associate warden for classification, this drop in enrollment occurred because the Custody Division's assignment lieutenant did not enroll inmates in vocational classes during extended lockdown since the inmates could not attend class. However, attendance was low even before this long lockdown period. Lockdown occurred on only three days during July, August, and September 1984, when attendance averaged only 50 percent or less of enrollment.

Additionally, enrollment is low because nine of the ten vocational classes are held in Folsom's "lower yard," which lacks sufficient security to allow inmates requiring close custody to enroll and because there are insufficient medium custody inmates eligible to fill all the medium custody work or training assignments available. (Refer to Item 3.1 for further analysis.)

Finally, inmates in vocational education courses sometimes do not complete coursework because they transfer from Folsom to another prison prior to completing vocational courses. Medium custody inmates can

enroll in vocational classes, but their custody level makes them candidates for transfer to institutions of lower-level security.

According to Folsom's supervisor of vocational instruction, inmates who are transferred often have not been at Folsom long enough to complete vocational education courses or learn marketable skills. Folsom requires 2,000 hours of classwork to complete a course. However, an inmate attending class six hours per day, five days per week, excluding holidays and vacation days, would accumulate only 1,392 class hours per year, assuming that there are no lockdowns. But classroom time at Folsom is disrupted by lockdowns. Consequently, according to reports by Folsom's supervisor of correctional education programs, 58 (69.0 percent) of the 84 inmates who transferred from Folsom during fiscal year 1984-85 without completing vocational courses transferred without any marketable skill. Also, because the same vocational education courses may not be offered at the institution to which inmates transfer, the inmates may be unable to continue their training.

When inmates do not attend and complete vocational classes, they do not have sufficient opportunity to learn vocational skills that can be useful either in work assignments in the prison system or upon release from prison. The assistant chief of education for the Department of Corrections stated that poorly trained inmates may have difficulty obtaining and maintaining employment once they are released. Further, a Department of Corrections report stated that inmates who cannot obtain jobs after release will more frequently return to crime.

In September 1985, the Department of Corrections increased Folsom's enrollment quota to 24 inmates per vocational class, or a total of 264 vocational education students, and set an attendance quota at 18 students per class. Folsom has applied for an exemption from the enrollment quota for the Printing and Graphics Arts class, which will reduce the total enrollment quota to 244 students. As of December 1, 1985, there were 185 inmates enrolled in Folsom's vocational education program.

Conclusion

Folsom's vocational education program is not meeting enrollment quotas, and few inmates attend or complete vocational courses. As a result, many inmates do not obtain vocational skills that are useful in the prison system or marketable once they leave prison.

Recommendation

Folsom's warden should consider allowing more medium custody vocational inmates to attend classes during lockdown. Folsom should evaluate its security needs for vocational shops in the lower yard to determine the costs and benefits of increasing security to allow increased enrollment and attendance. Folsom should also consider assessing those inmates with higher than medium custody to determine whether more inmates can be enrolled in vocational courses.

Item 2.2 Timecards for Inmates Enrolled in the Vocational Education Program at Folsom Are Not Always Accurate

During fiscal year 1984-85, Folsom vocational instructors did not always record attendance on timecards accurately for inmates enrolled in vocational education classes. As a result, inmates received pay and class attendance credit for days on which they did not actually attend vocational classes. Timecards for inmates were inaccurate because vocational instructors made errors in transferring attendance information from class records onto timecards, they were given conflicting guidelines for completing class attendance records, instructors granted attendance credit to inmates for time not spent in class, and the supervisor of vocational instruction has no system for verifying inmates' timecards.

Audit Scope, Objectives, and Methods

To determine whether vocational instructors accurately recorded inmate attendance during fiscal year 1984-85, we reviewed 96 monthly timecards for 15 separate inmates and compared them with the Custody Division's gate log at the gate to Folsom's lower yard. Correctional officers state that this gate log records the identification numbers of all inmates passing to and from all the vocational classes except the Printing/Graphic Arts class.

Analysis

Section 4034 of the Department of Corrections' Business Administration Manual specifies the categories for recording time spent by inmates participating in the Inmate Work/Training Incentive Program (IW/TIP). In addition, Warden's Directive 117 requires staff who supervise inmates participating in the IW/TIP to maintain accurate and verifiable timekeeping records. The directive provides supervisors of inmates with procedures for documenting inmate attendance and specifically requires supervisors to indicate an inmate's daily presence at the IW/TIP assignment with an "X" on the inmate's monthly timecard.

Vocational education courses are one type of IW/TIP assignment. Additionally, Folsom's Custody Division requires inmates enrolled in vocational courses, except for the Printing/Graphic Arts class, to use one gate for entry and exit to the vocational classes in Folsom's lower yard. The correctional officers at the gate physically match each inmate with his photograph when he passes through the gate going to and from vocational classes, and they record the inmate's presence in the gate log. According to the Custody Division's watch lieutenant, the count of inmates on the gate log verifies the location of these inmates should prison staff suspect any escapes from the prison.

During fiscal year 1984-85, Folsom's timecards for inmates in vocational education classes did not always agree with the Custody

Division's count on the gate log for the lower yard. For example, 16 (17.7 percent) of the 96 monthly timecards we reviewed did not agree with the gate logs. Errors occurred on timecards for 5 of the 15 inmates we sampled. Instructors recorded inmates as present by marking an "X" on their timecards for 51 days on which the inmates did not pass through the gate to the lower yard on their way to vocational classes. In one class, an instructor credited an inmate with 5 days for which the inmate did not attend class; in another class, the instructor credited an inmate with 39 days of attendance even though the inmate did not attend class. The three other inmates were not present in class for one to two days, though they still received credit.

The instructor in the first example said he credited the inmate with five days for which the inmate did not attend class because the inmate spent the time in his cell performing clerical work for the instructor. In the second example the instructor stated that he allowed the inmate to do clerical work in another area of the prison; however, the instructor did not supervise the inmate, and staff who were present where the inmate worked stated that the inmate typically worked less than a full day. Neither instructor verified the hours of work or noted the inmates' clerical work on their timecards. In six other examples, instructors stated that they made errors in completing the timecards.

When instructors do not accurately record inmate attendance, inmates receive attendance credit and pay for days on which they did not actually attend vocational classes. In the case of the inmate who inappropriately received 39 days of credit, Folsom's trust office paid the inmate \$81.90 for the days that he did not attend vocational classes and for which there is no verification that he worked for full days. These errors in attendance records have not, however, resulted in inmates' unjustifiably receiving reductions in their sentences because under the provisions of the IW/TIP, inmates receive sentence reductions for the entire period that they are assigned to training, excluding days of unexcused absence, not just for the days they attend.

Timecards for inmates were inaccurate because the Department of Corrections' Business Administration Manual does not sufficiently explain what constitutes attendance in a vocational class. For example, the Business Administration Manual only describes the categories of time that instructors should record on timecards; it does not tell instructors how to treat inmates' unsupervised assignments performed out of class.

Timecards are also inaccurate because, until September 1985, most vocational instructors followed the instructions of Folsom's former supervisor of vocational instruction. His instructions conflicted with Department of Corrections instructions for completing attendance records because they directed instructors to indicate an inmate's presence in class on class attendance records by leaving a "blank" rather than by writing an "X" as prison policy requires. Vocational instructors stated that they consequently made errors in transferring class attendance information from their class attendance records to the timecards. Finally, although Folsom's supervisor of vocational instruction is required to sign inmates' timecards, it appears that he has no method for independently verifying the accuracy of the timecards such as spot checking timecard information with the gate logs.

In August 1985, the Department of Corrections' inmate education and training office issued guidelines for completing class attendance records; however, the guidelines do not define what constitutes class attendance for inmates not actually in class. By September 1985, all vocational instructors were no longer completing class attendance records by using a "blank" to designate an inmate's attendance.

Conclusion

Folsom's vocational education instructors did not always accurately record inmates' attendance on timecards during fiscal year 1984-85. As a result, inmates received attendance credit and pay for days on which they did not actually attend vocational classes.

Recommendation

Folsom's supervisor of vocational instruction should ensure that instructors follow the Department of Corrections' recent guidelines for accounting for attendance in vocational classes. The supervisor of vocational instruction should develop methods to verify the accuracy of timecards such as spot checking timecards for consistency with gate logs. Further, the Department of Corrections' inmate education and training office should explain how an inmate may still receive credit for attendance in a vocational course for days on which the inmate is not in class. Finally, Folsom should ensure that all vocational education instructors are trained in the appropriate timekeeping procedures.

Item 2.3 Hours That Inmates Earned Toward Completion of Vocational Courses Do Not Reflect the Time They Actually Spent in Training

Folsom's vocational education instructors have credited inmates with class hours that they did not actually spend in vocational education courses. As a result, inmates received credit or certificates of completion that misrepresent the true amount of their training. Folsom's vocational education instructors completed inmate attendance records improperly because a former supervisor of vocational instruction provided them with conflicting directions for documenting class attendance.

Audit Scope, Objectives, and Methods

To determine whether the hours that inmates earned toward completion in vocational education courses were accurate, we reviewed 104 of the 108 class attendance records that the 11 vocational instructors completed during fiscal year 1984-85. The 104 records represent all of the class records that were available in Folsom's files. We compared these class attendance records with individual inmate time cards that the

instructors also completed. Further, to determine the number of hours that graduates of courses did not spend in class, we reviewed the entire fiscal year's attendance records for the two vocational inmates who received certificates for completing courses and who are still at Folsom.

Analysis

To complete a vocational education course, an inmate must attend vocational education training for a minimum of 2,000 hours and demonstrate to the vocational education instructor that he has acquired the skills necessary to perform the vocation being studied. Instructors record the number of hours per day that inmates spend in vocational education classrooms and shops or engaged in other work activities. Warden's Directive 117 provides guidelines for instructors to follow when recording the hours in the class attendance record. Although guidelines require instructors to identify separately any hours that inmates do not spend in training for reasons beyond their control, such as lockdowns and instructors' absences, the guidelines do not allow instructors to accumulate such hours toward the 2,000 hours that inmates need to complete the courses.

During fiscal year 1984-85, however, some vocational instructors gave credit to inmates for hours they did not spend in actual training activities. In 50 of the 104 monthly class attendance records (48 percent) we reviewed, instructors gave credit both for the time inmates spent in vocational training and for time that inmates were unable to spend in training for reasons beyond their control, including time in their cells due to lockdown. During fiscal year 1984-85, one inmate accumulated 741 (45 percent) of his 1,645 total training hours for time spent in his cell. This inmate accumulated only 834 (50.7 percent) of the total hours in actual training activities. Nevertheless, the instructor credited all 1,645 hours toward the inmate's course completion. Another inmate accumulated 756 (55.8 percent) of 1,356 hours in his cell and only 523 hours

(38.6 percent) in actual training. Again, the instructor credited all 1,356 hours toward the inmate's course completion requirements. Both of these inmates have received certificates of completion.

Although these inmates may have been studying classroom materials in their cells, vocational instructors had not yet developed a formal curriculum to do so, nor did they have a formal method to document the amount of studying that the inmates did in their cells. When instructors credit inmates with hours that they do not spend in actual training, inmates may complete vocational education courses with inadequate experience, and their completion certificates misrepresent the amount of time spent in actual training and, possibly, the skills they have acquired. Consequently, inmates may be less ready for the job market than if they had attended the full training session.

According to the Department of Corrections' assistant chief of education, inmates who are poorly trained due to inadequate training time may have difficulty obtaining the skilled jobs for which they are supposed to be trained. Moreover, even if they obtain skilled jobs, they may have difficulty keeping them because their employers' expectations may exceed their demonstrated skills. According to a 1984 report by the Department of Corrections, failure to secure employment often leads people to return to crime.

Instructors gave credit to inmates for hours they did not spend in actual training partly because of conflicting directions from a former supervisor. Although Warden's Directive 117 directs instructors to record as attendance time only those hours that an inmate is actually present for training activities, the former supervisor of vocational instruction issued guidelines to instructors in August 1983 directing them to give credit for time that inmates do not attend training for reasons beyond their control such as lockdown time. Consequently, some instructors recorded inmates as present when they were absent for reasons beyond their control and others did not. As a result, inmates' class records do not always accurately reflect the time they spent in training activities.

In August 1985, the Department of Corrections issued new guidelines for completing class attendance records. At the time of our review, instructors in nine of the ten vocational courses were not crediting inmates for training hours when the inmates did not attend training for reasons beyond their control. Folsom's vocational instructors have begun to prepare proposals for in-cell study programs for vocational courses so that inmates can legitimately accumulate hours toward course completion by studying in their cells.

Conclusion

Folsom's vocational education instructors credited inmates with hours that the inmates did not actually spend in training for reasons beyond the inmates' control. As a result, these inmates have received less actual training and may therefore be less skilled than their records and course completion certificates indicate.

Recommendation

Folsom's supervisor of vocational instruction should explain formally and in writing to all vocational instructors the Department of Corrections' August 1985 guidelines for completing attendance records, including the treatment of time, such as lockdown time, that inmates do not spend in class. Folsom's warden should issue a directive explaining how attendance hours should be accumulated for work that inmates complete in their cells and providing a method for verifying such work. In addition, the supervisor should ensure that the attendance hours of inmates who have participated in Folsom's vocational education are corrected.

Item 2.4 **The Vocational Education Program Is Not Complying With Certain Policies Designed To Improve the Quality of Training**

Folsom's vocational education program administrators are not complying with Department of Corrections policies for improving the quality of the program. During fiscal year 1984-85, they appear not to have annually reviewed course outlines, instructional materials, and teaching methods. Further, they have not called a meeting of the trade advisory committee in over two years, and they have not maintained the required inmate advisory committee or inmate safety committees. As a result, course content may be out of date, labor and industry support may be lacking, and inmates have fewer opportunities to contribute to the quality of the program. The vocational education supervisors have not always followed Department of Corrections policies because the supervisor of correctional education programs was under the mistaken impression that Department of Corrections policies were out of date.

Audit Scope, Objectives, and Methods

To determine whether the supervisors of vocational education follow the Department of Corrections' Administrative Manual guidelines in administering the vocational education program at Folsom, we reviewed Chapter 7700 of the manual, interviewed the supervisor of correctional education programs and the supervisor of vocational instruction at Folsom, the assistant chief of education at the Department of Corrections, and the vocational education consultant at the State Department of Education. We also interviewed the 11 vocational instructors and reviewed class outlines.

Analysis

Chapter 7700 of the Department of Corrections' Administrative Manual requires institutions to establish vocational training programs and directs the supervisor of correctional education programs and the

supervisor of vocational instruction to be responsible for developing, supervising, and evaluating the programs.

Section 7733(b) requires the supervisor of correctional education programs or the supervisor of vocational instruction or both to review annually course outlines and instruction materials and methods to keep their courses current with changes in instructional material, methodology, or course content. Also, Sections 7734(a) and 7735(a) of the Department of Corrections' Administrative Manual require that vocational staff conduct surveys of the major employment areas of the State to improve existing programs and to start new programs. The purpose of the survey is to verify the potential for employment for parolees in a specific vocational field and to obtain names of business people willing to serve on a trade advisory committee. Further, Section 7734(b) of the manual states that labor and management support for the vocational education programs should be sought and that labor and management participation in a trade advisory committee should be solicited. In addition, Section 7732 requires each institution's supervisor of correctional education programs to establish and meet regularly with an inmate advisory committee for vocational education. The purpose of the inmate advisory committee is to establish positive relationships with inmates, to enhance the quality and acceptance of the program, and to "maximize student contributions." Further, Section 7733(e) requires each vocational instructor to establish an inmate safety committee to carry out weekly inspections of class equipment and facilities. Records of the inspections must be retained for one year.

It is questionable whether the supervisor of correctional education programs reviewed Folsom's vocational courses during fiscal year 1984-85, as the Department of Corrections' Administrative Manual requires. However, the supervisor stated that he has reviewed vocational courses by occasionally sitting in on classes and having conversations with the supervisor of vocational instruction. Folsom's former supervisor of vocational instruction stated that he conducted

the annual reviews of courses and submitted written reports to each instructor, but he could not provide any documentation of these evaluations.

During fiscal year 1984-85, eight of the ten vocational education courses had been taught at least one year, qualifying them for annual review. At the time of our review, one of the instructors was no longer at Folsom. When we interviewed the vocational instructors of the remaining seven courses, we obtained varying responses. Three of the seven instructors remembered receiving some type of review: one said he received a personnel evaluation, not a review of his course outline, materials, or instruction methods; another stated he received an oral review; and a third could not find any record of the written review he thought he had received. The remaining four did not remember receiving any review of their courses from the supervisor of vocational instruction. Without this review of vocational courses at Folsom, the prison has limited assurance that courses are current with changes in material, methodology, or content. Further, in its April 1985 audit of Folsom's vocational education program, the Department of Corrections found that some vocational courses lacked appropriate course outlines and that course evaluation forms did not always match the course outlines that were on file.

We interviewed vocational consultants at the State Department of Education's Office of Vocational Education and the State's consultant for vocational education. One consultant stated that the State offers a consulting and course assessment service through a regional office to any vocational program that requests it, including programs in the Department of Corrections. The assessment would include an evaluation of facilities, equipment, and curricula. However, the consultant stated that Folsom has not asked for such an assessment of any of its courses.

Before 1983, Folsom's trade advisory committee met at least once annually. However, the supervisor of vocational instruction has not

held a meeting or otherwise met with all the members of the committee since October 1983. Further, instructors for only 4 of the 10 vocational classes met with the individual trade advisory committees during fiscal year 1984-85. Instructors for 6 of the 10 classes did not meet with trade advisory committees or members during the fiscal year. As a result, Folsom may not be receiving optimum support from the outside labor and management community. According to the supervisor of correctional education programs, community support of the vocational education program is important because Folsom needs donated materials for its vocational courses and current information on materials and methods.

The Department of Corrections requires market surveys of the major employment areas of the State to justify new courses. During fiscal year 1984-85, three of Folsom's vocational instructors carried out market surveys for new classes. Two of the three instructors surveyed only the Sacramento employment area to obtain information about potential employment for parolees. The surveys did not include, for example, information from southern California or the southern Central Valley. Folsom does not always parole inmates to the Sacramento area, and, moreover, vocational students often transfer to prisons in other areas before they are paroled. The former supervisor of vocational instruction stated that the Department of Corrections instructed him to survey only local markets because surveys for the same courses at other prisons would provide information for other parts of the State. However, the assistant chief of vocational education told us that the Department of Corrections' Administrative Manual requires each prison to conduct statewide job market surveys.

Folsom's supervisor of correctional education programs also has not established or maintained an inmate advisory committee for vocational education as required by the Department of Corrections' Administrative Manual. The supervisor further has not ensured that instructors establish or maintain inmate safety committees for their classes along with records of safety inspections by the safety committee. We

interviewed seven instructors and seven inmates from six classes and found that there were no inmate safety committees for these classes. Three of the instructors stated that they periodically lectured their classes on safety matters. The supervisor of correctional education programs told us that there are no inmate advisory and safety committees because the Department of Corrections' Administrative Manual is outdated and the policies requiring such committees are no longer recognized by the Department of Corrections. However, a program coordinator at the Department of Corrections told us that the policies are still valid. Furthermore, in an April 1985 audit of Folsom's vocational education program, the Department of Corrections recommended that the supervisor of vocational instruction establish inmate safety programs in vocational courses. The lack of an inmate advisory committee and an inmate safety committee can reduce the contributions and support of inmates for the vocational education program and can limit opportunities for inmates to enhance the quality and acceptance of the program.

Corrective Action

In November 1985, the Department of Corrections entered into a contract with California State University at Sonoma to review the curricula for vocational education courses at all of the institutions.

Conclusion

Folsom's vocational education administrators have not always followed Department of Corrections policies. During fiscal year 1984-85, supervisors appeared to have conducted only three of seven annual course reviews, but the records for the three reviews were not available. Also, vocational education supervisors and instructors have not held a meeting of Folsom's trade advisory committee for over two years. In addition, most instructors conducted only local, instead of statewide, job market surveys for new vocational courses. Furthermore, the vocational supervisors and instructors have not established and

maintained the required inmate advisory committee and inmate safety committees. As a result, Folsom's vocational courses may not be current or appropriate for the job market, courses may not have full support from labor and industry, and inmates do not have the opportunity to contribute to the quality of the vocational education program.

Recommendation

Folsom's supervisor of correctional education programs should ensure that the supervisor of vocational instruction follows Department of Corrections policies for conducting annual reviews of courses, maintaining trade advisory committee contacts, establishing inmate advisory and safety committees, and maintaining safety committee records. The supervisor of correctional education programs should also establish a written format to be used by the supervisor of vocational instruction for the annual course reviews. Further, the supervisor of vocational instruction should ensure that job market surveys for vocational courses include a survey of major employment areas in the State.

CHAPTER III
PROVIDING WORK FOR INMATES

Folsom State Prison is not providing all general population inmates with work, training, or education assignments as intended by state law and Department of Corrections policy. As a result, the inmates who are not assigned are earning time off their sentences without developing good work habits, occupying their time productively, or helping defray prison operational costs. Additionally, inmates who are eligible under the law to earn work time credits at the accelerated rate that the law offers are unable to reduce their prison terms as quickly as the law allows. Consequently, the State must pay the extra cost to incarcerate these inmates longer than necessary under the law. Further, Folsom's assignment office does not always assign inmates to work and training assignments according to established practices, primarily in order of dates that the assignment office places the inmates on the waiting list. Consequently, some inmates who have waited for assignments for long periods are improperly bypassed by other inmates who were placed on the waiting list at a later date. As a result, these inmates were unnecessarily delayed in obtaining work or training assignments, earning money, and in some cases, earning time off their sentences at the accelerated rate. Finally, it appears that Folsom could become more self-sufficient and reduce the amount by which it must be supported by taxes if it altered, or added to, the types of vocational courses it provides to inmates. Although some of Folsom's vocational education courses teach skills that assist in the operation of the prison, few of the courses provide training to meet the needs of its Plant Maintenance and Operations Department. As a result, the department is unable to address such maintenance problems as backlogged work orders and the lack of a preventive maintenance program.

Background

According to Chapter 1, Statutes of 1982, it is the intent of the Legislature that all able-bodied inmates be directed to work. Chapter 1234, Statutes of 1982 provides that inmates who committed crimes on or after January 1, 1983, as well as inmates who were convicted before January 1, 1983, but who signed a waiver can earn one day off their prison terms for each day they spend in a work, training, or educational assignment. Inmates who were convicted before January 1, 1983, and who do not sign a waiver but indicate a willingness to work can still obtain a work or training assignment but only earn one day off their term for every two days that they are assigned. Also, inmates who indicate a willingness to obtain a work or training assignment can earn one day off their term for every two days that they are waiting for an assignment. Inmates who refuse an assignment or who commit certain acts of misconduct do not receive work time credit for an assignment.

Chapter 1, Statutes of 1982 also directs the Department of Corrections to seek self-sufficiency for the institutions by reducing the extent to which institutions must be supported by taxes. To accomplish this goal, institutions are to develop inmates' skills, work habits, and goal orientation so that inmate work programs are able to provide for the institutions' needs. As a result of the two statutes, the Department of Corrections established the Inmate Work/Training Incentive Program (IW/TIP).

Folsom's assignment office, within the Custody Division, is responsible for assigning inmates to work, training, and educational assignments. It has approximately 2,000 work or training assignments available for inmates throughout various locations in the prison. These assignments include working in prison industries and in prison support services such as the maintenance, culinary, and laundry departments; in all of these assignments inmates earn pay for hours worked. These work or training assignments also include 220 assignments for vocational

education, in which inmates can learn vocational skills such as landscaping and painting, and 160 assignments for academic education in which inmates can learn to speak English and obtain a high school diploma.

The assignment lieutenant assigns inmates to these available work and training assignments from the waiting lists that he maintains. Inmates entering Folsom appear before a classification committee, and if they express a willingness to work, the assignment lieutenant adds their names to the various waiting lists according to the custody level that the classification committee assigns to inmates entering Folsom. These custody levels are Minimum A, Minimum B, Medium A, Medium B, Close A, Close B, Maximum A, and Maximum B. The custody levels determine the amount of supervision required for each inmate and the areas in the prison's facility to which inmates are restricted for certain work and training assignments.

Item 3.1 **Folsom Is Not Providing Sufficient Work, Training, and Educational Assignments**

Folsom is unable to provide inmates with sufficient work, training, or educational assignments. As of November 7, 1985, 2,126 (94 percent) of the prison's general population inmates were available to work; 440 (21 percent) of these were eligible for the IW/TIP but were not working or participating in training. As a result, eligible inmates who are not assigned cannot develop good work habits or occupy their time productively, thus producing potential disciplinary and security problems for the prison. Further, they cannot earn money or acquire job skills to reduce their prison terms as much as those who are working. Inmates who are unable to reduce their prison terms through assignments must be incarcerated longer than necessary, resulting in a substantial extra cost to the State and contributing to crowded conditions in the prison system. Moreover, having unassigned inmates hinders Folsom in its attempt to achieve self-sufficiency, which is required by law. Folsom is unable to provide sufficient work or

training assignments for all inmates because it does not have enough work supervisors, it restricts close and maximum custody inmates from some assignments, and it does not have enough inmates to fill assignments that require special skills.

Audit Scope, Objectives, and Methods

To determine whether Folsom provides inmates with sufficient work or training assignments, we reviewed the inmate work and training assignments that were either filled or vacant as of November 7, 1985, and we reviewed inmate custody restrictions for the various work and training assignments. Additionally, we reviewed the waiting lists of inmates available for work and training assignments on the same date. Further, we discussed with the IW/TIP coordinator Folsom's efforts to implement the IW/TIP. We also interviewed Folsom's assignment lieutenant to obtain procedures for assigning inmates to work and training assignments.

Analysis

Folsom does not have enough work, training, or education assignments to enable all inmates to work. At the time of our review, Folsom reported that it had 3,005 inmates. However, as of November 7, 1985, it had 1,996 work, training, and educational assignments available, leaving 1,009 inmates (33 percent) without assignments. Further, of the 1,996 assignments available, the assignment office had filled only 1,668, leaving 328 (16 percent) vacant. Without sufficient assignments in which to place inmates and by not keeping available assignments filled, Folsom has a large number of inmates in both the general population and the security housing units (SHUs) who are unassigned.

Folsom is not meeting the Department of Corrections' commitment to fully employ general population inmates. As of November 7, 1985, Folsom had 2,258 general population inmates: 99 of these inmates were unavailable for work assignments because they were in the infirmary or

in court or because they were new inmates and had not yet appeared before the classification committee; 33 of the inmates were unwilling to work. Thus, 2,126 of Folsom's general population inmates were available for assignment; however, only 1,644 (77 percent) of these inmates actually had assignments. Of the 482 general population inmates who were unassigned, 440 (91 percent) were eligible to earn work time credits at the higher rate.

Although a large percentage of SHU inmates are also unassigned, necessary security measures limit the prison's ability to assign them. As of November 7, 1985, Folsom had 747 inmates in the SHU. Approximately 116 were not available for assignment because they were unwilling to work, in the infirmary, or on a restricted status for disciplinary reasons. Of the 631 SHU inmates who were available for assignment, only 24 (4 percent) had assignments. Of the 607 who were unassigned, 258 (42 percent) were eligible to earn work time credits at the higher rate. However, for security reasons, SHU inmates can only be given limited assignments within the perimeters of SHU facilities. The Department of Corrections' Classification Manual states that SHU inmates must be directly and constantly supervised and that they can only be given assignments within the SHU buildings and adjacent yards. According to the chief of program development at the Department of Corrections, the department gives inmates in the SHUs the lowest priority for work or training assignments. As of November 7, 1985, Folsom had only 36 authorized work assignments for SHU inmates; it had filled 24 of these assignments. As of that date, Folsom had not developed programs by which inmates could study training materials in their cells.

Because Folsom does not provide sufficient work, training, or education assignments to fully implement the law, inmates do not have the opportunity to develop good work habits, as the law intended, and they cannot obtain the skills necessary to obtain employment upon their release. For example, one unassigned inmate who does not speak English told us through an interpreter that he needs courses to learn English

and basic reading skills. Further, inmates without assignments reduce their prison terms at a rate that is one-sixth slower than the rate of those who do have assignments. Inmates who do not have an assignment earn only one-third off their terms, whereas inmates eligible to earn work time credits at the higher rate who have assignments can reduce their terms by one-half. Additionally, unassigned inmates told us that they cannot earn money to purchase personal items. Inmates who are working can earn between \$204 to \$468 per year. Finally, according to the assignment lieutenant, unassigned inmates do not occupy their time productively, thus creating potential disciplinary and security problems for the prison.

Inmates who cannot reduce their prison terms because they lack assignments must be incarcerated longer than necessary, resulting in a substantial extra cost to the State. For example, Folsom's budget for fiscal year 1985-86 provides an average annual operating cost per inmate of \$13,400. The difference between sentence reductions of one-half and one-third is one-sixth. One-sixth of Folsom's annual \$13,400 operating cost per inmate is \$2,233. Therefore, assuming immediate and continuous IW/TIP participation, the 698 inmates who are not assigned under the IW/TIP and willing to work can ultimately cost the State up to \$1.6 million per year in unnecessary incarceration costs. Folsom has continually received inmate replacements, so its budget would not necessarily decline if any inmates ended their prison terms one-sixth earlier. However, the Department of Corrections would benefit from the reduced terms. By getting more inmates out of the penal system faster, the Department of Corrections would reduce its overall requirements for prison facilities and staff. In addition, since incarcerating inmates longer than necessary contributes to the crowded conditions in the prison system, the Department of Corrections should lessen its overcrowding problems.

A final result of Folsom's lack of assignments for inmates is that the prison is less able to become self-sufficient by developing and using inmate labor and skills, a goal that is established by state law. (See Item 3.3 of this chapter.)

Several factors contribute to Folsom's inability to provide sufficient assignments for inmates. First, according to the IW/TIP coordinator, Folsom does not have enough supervisors to increase safely the number of inmate work or training assignments. For example, there are not enough instructors or classroom areas to expand the academic education program. Consequently, as of our review date, there were 155 inmates on the waiting list for academic education for whom there were insufficient classes and instructors. In our opinion, expanding academic education at Folsom would be worthwhile. According to the chief of education services at the Department of Corrections, 40 percent of the inmates have less than a sixth grade education. Moreover, Folsom's supervisor of vocational instruction said that at least an eighth grade education is necessary for most vocational education training.

The IW/TIP coordinator stated that Folsom attempted to provide sufficient assignments for most of its inmates by creating 2,350 work and training assignments when the IW/TIP began in January 1983, and it assigned inmates to these jobs with approximately the same level of staffing as Folsom currently provides. However, he reported to the Department of Corrections in September 1983 that an outbreak of inmate violence resulted because of an insufficient number of supervisors. Subsequently, the director of the Department of Corrections told Folsom to reduce the number of its inmate assignments so that staff could supervise inmates more closely.

The second reason for the insufficient number of assignments is that Folsom's procedures restrict inmates requiring "close" custody from some assignments at the prison. Of the 328 vacant assignments at the time of our review, inmates requiring close custody could fill only 145 (44 percent). For example, Folsom restricts inmates requiring close custody from three assignments in the Plant Maintenance and Operations Department and from nine of ten vocational education classes because the department and the classes are located in the "lower yard" where there is less security. An August 1985 audit conducted by the

Department of Corrections found that Folsom has typically assigned close custody status to inmates with long sentences.

A third reason why Folsom has not filled more assignments is the manner in which the prison makes assignments. Folsom has some work and training assignments that it designates as available to both close and medium custody inmates. Close custody inmates are more difficult to place in assignments than medium custody inmates because there are substantially fewer assignments suitable for them. However, despite this fact, Folsom's assignment office has assigned some medium custody inmates to assignments that could be filled by close custody inmates. For example, the prison's kitchen has 269 assignments that either close or medium custody inmates can occupy, yet the assignment office filled some of these positions with medium custody inmates. A total of 84 medium custody inmates occupied positions in the kitchen at the time of our review, even though 183 other medium custody assignments remained vacant. The assignment office could have filled work assignments in the kitchen with more close custody inmates.

A fourth reason for the unfilled assignments is that, although Folsom had 145 vacant positions that it could fill with close custody inmates at the time of our review, the assignment lieutenant delayed filling these assignments because of a change to his work and training assignment procedures instituted by the associate warden for custody. As a result of an inmate's planning to expose confidential information, the associate warden, as a security precaution, stopped inmate clerks from handling inmate assignment cards because they contained sensitive information. Folsom prepares manual records of inmate assignments, and the assignment lieutenant had relied on inmates to assist in the assignment process. The loss of the inmate clerks had temporarily slowed the assignment lieutenant's process for making assignments at the time of our review.

Finally, some assignments that require skilled or trained inmates are difficult to fill. For example, as of November 4, 1985, the list of

available assignments indicated that Folsom needed eight skilled electricians and seven skilled carpenters to fill vacant inmate assignments in the Plant Maintenance and Operations Department. Although the assignment lieutenant stated that he should assign inmates possessing skills in these categories immediately upon their arrival at Folsom, he has not found enough inmates who have these skills. Furthermore, Folsom's vocational education program, which is designed to teach inmates marketable skills and to help the prison achieve self-sufficiency, does not offer the courses necessary to help inmates develop the skills they need to work in the Plant Maintenance and Operations Department. (See Item 3.3 in this chapter).

During our review, the warden asked the assignment lieutenant to find ways of creating additional work and training assignments. In a response dated November 19, 1985, the assignment lieutenant stated that increasing work or training assignments presently would create only "make work" assignments and thus would serve no constructive purpose. However, the assignment lieutenant did not discuss the possibility of expanding the academic education program or using the vocational education program to teach special skills that Folsom needs.

Corrective Action

In September 1985, Folsom submitted to the Department of Corrections a proposal for increasing in-cell study programs for inmates. In January 1986, the associate warden for classification stated that the prison hired eight new instructors to administer in-cell study for academic and vocational education to inmates in the SHUs. Also, Folsom's Classification Division began reviewing and reassessing the custody level of all inmates to identify those inmates to whom the classification committee could assign lower custody levels. The reduction in custody designations of some inmates will allow the assignment lieutenant to assign these inmates to fill vacant work or training assignments previously unavailable to them.

Conclusion

Folsom is unable to provide all inmates with the work, training, or education assignments required by state law. As of November 7, 1985, 2,126 (94 percent) of the prison's general population inmates were available to work, 440 (21 percent) of whom were eligible to earn work time credits at the one-sixth faster rate but were not working or participating in training. Inmates for whom assignments are not available cannot develop good work habits or occupy their time productively. In addition, they cannot obtain job skills, earn additional time off their prison term, or earn money. Furthermore, the State incarcerates these inmates longer and at extra cost. Incarcerating inmates longer also contributes to prison overcrowding. Finally, with unassigned inmates, the prison is less able to achieve self-sufficiency as required by law.

Recommendation

The Department of Corrections and Folsom should consider hiring additional work or training supervisors in light of the ultimate cost savings from fully assigning inmates. For example, Folsom's Classification Division and the Department of Corrections should continue efforts to expand the prison's academic education program, including in-cell study, to increase assignments and to meet the needs of more inmates with less than eighth grade educations. To expand its academic education program, Folsom should also consider options such as alternative class sites to address problems of classroom space. Folsom's Classification Division should continue to review and reassess those inmates having close custody status to determine whether any inmates can be assigned medium custody and thereby fill work or training assignments previously unavailable to them. Further, Folsom's assignment lieutenant should consider reassigning some medium custody inmates who are assigned to work or training assignments that are also open to close custody, thereby enabling more close custody inmates to obtain assignments. The assignment lieutenant should also periodically

reevaluate all work and training assignments systematically to ensure that Folsom is placing as many inmates as possible in assignments.

Item 3.2 **The Assignment Office Does Not Always Assign Inmates to Jobs in the Proper Order**

Folsom's assignment office does not always assign inmates to work and training assignments according to the order in which the assignment office places the inmates on the assignment waiting lists. As a result, some inmates who have waited for assignments for long periods are improperly bypassed by other inmates who were placed on the waiting list at a later date. Consequently, inmates were unnecessarily delayed in obtaining work or training, earning more time off of their sentences, and earning money. The assignment lieutenant may not have assigned these inmates in the appropriate order because the assignment office does not have formal, written procedures for making work and training assignments and for systematically updating waiting lists. Furthermore, the waiting lists are maintained manually, difficult to keep organized, and, consequently, prone to error.

Audit Scope, Objectives, and Methods

To determine whether the assignment office assigns inmates to work and training assignments equitably, we reviewed Folsom's criteria for assigning inmates. We next reviewed the waiting lists that Folsom established for various inmate custody levels and analyzed a sample of 72 of the 355 names on the assignment waiting list for the "Close B" custody level. We did not analyze waiting lists for other custody levels.

Analysis

Warden's Directive 203 states that the assignment lieutenant, located in the assignment office of the Custody Division, is responsible for assigning all inmates to work and training assignments from waiting

lists. The assignment lieutenant must take into consideration inmates' skills, abilities, race, temperament, and custody designation when assigning inmates. The assignment lieutenant stated that he also considers an inmate's gang affiliation in making assignments to avoid gang violence in work areas. Once he has considered all of the above criteria, the assignment lieutenant said that he selects inmates for assignments according to their seniority, which is established by the date that their names were placed on the waiting list. The assignment lieutenant maintains separate waiting lists for each of the four inmate custody levels (Medium A and B, Close A and B) because Folsom does not allow inmates in certain custody levels to work in certain areas of the prison.

The assignment office does not always assign inmates to work or training assignments from the waiting list according to its established procedures. For example, as of September 19, 1985, 11 (15 percent) of the 72 inmates we sampled from the Close B waiting list had been bypassed by other inmates of the same race, custody level, and gang affiliation who received assignments instead. The associate warden for custody told us that inmates with shorter sentences may have been given assignments first. Warden's Directive 203 contained no criteria giving priority to inmates with shorter sentences, and our sample indicated no correlation between sentence length and assignment to jobs; 6 of the 11 inmates were bypassed by at least one other inmate with a longer sentence.

When inmates are bypassed on the waiting lists, they are unnecessarily delayed in receiving assignments. Inmates who are eligible to earn work time credits at the faster rate but remain unassigned cannot begin working to reduce their sentences as soon as they are eligible to do so. In addition, inmates' morale and behavior can be adversely affected when they perceive inequities in assignments. Furthermore, inmates on the waiting lists are not able to earn money; the four unassigned inmates we interviewed told us that, because they are not working and earning money and because their families send them little or no money, they cannot purchase many personal supplies.

Inmates with less waiting list seniority may have obtained assignments before those with more seniority because the assignment office does not have formal, written procedures for selecting inmates for assignments and because the two former assignment lieutenants overlooked names on the list. One of the three persons who held the position of assignment lieutenant during our review stated that the inmates "fell through the cracks." Additionally, the waiting list we sampled contained approximately 40 pages of names, many of which had been crossed out by hand, apparently as the inmates were assigned.

The assignment lieutenant must consider a number of factors when making an assignment, and an automated list would provide the assignment lieutenant with immediate access to information on the next appropriate inmate to place in an assignment.

On November 19, 1985, the assignment lieutenant drafted revisions to Warden's Directive 203 specifying the criteria for assigning inmates to the various assignments throughout the prison. Also, Folsom's associate warden for custody issued directions to the assignment lieutenant to discontinue the practice of considering gang affiliations when assigning inmates to jobs.

Corrective Action

In November 1985, the assignment lieutenant updated all waiting lists by eliminating inmates already assigned.

Conclusion

Folsom's assignment office has not always equitably assigned inmates to work and training assignments from waiting lists. As a result, some unassigned inmates waited unnecessarily long for assignments, while other inmates bypassed them and acquired assignments.

Recommendation

The assignment lieutenant should develop and implement formal, written procedures for assigning inmates work and training assignments and for updating waiting lists to ensure that assignments are made equitably. Additionally, to reduce errors, Folsom should consider automating the waiting lists. Automated lists could include the date the inmate signed up for work or training assignments, his custody level, race, language disabilities, length of prison term, skills, and work or training preference.

Item 3.3 Folsom's Vocational Courses Do Not All Contribute to Folsom's Self-Sufficiency

To reduce the amount by which prisons must be supported by taxes, state laws direct the Department of Corrections and its prisons to achieve self-sufficiency by putting all able-bodied inmates to work and by developing prison labor and skills, good inmate work habits, and inmate work programs that provide for the prisons' needs. Folsom's Plant Maintenance and Operations Department (maintenance department), however, has a shortage of skilled workers in its carpentry, electrical, plumbing, and other shops. As of November 7, 1985, vacancies in 37 (47 percent) of the maintenance department's 79 authorized inmate assignments have contributed to the department's inability to handle backlogged work orders and to implement a preventive maintenance program. Although some of Folsom's vocational education courses teach skills that the prison needs, few of the courses provide specialized training to meet the maintenance department's needs. In the past two years, the vocational education program has not referred its trainees to the maintenance department. In the past there appears to have been little coordination among key individuals in various divisions to provide vocational education courses that meet maintenance needs.

Audit Scope, Objectives, and Methods

To determine whether vocational training assignments contribute to institutional self-sufficiency, we interviewed the coordinator for the Inmate Work/Training Incentive Program, the supervisor of correctional education programs, the assignment lieutenant, and supervisors in the maintenance department. We also examined the filled and unfilled work assignments in the maintenance department and compared them with the courses currently offered through the prison's vocational education program and with the list of all courses approved by the Department of Corrections.

Analysis

Chapter 1, Statutes of 1982, declares that state prisons are to teach marketable skills, good work habits, and goal orientation to inmates so that skilled inmate labor can provide the needs of the prison and reduce the amount by which taxes must support prisons. Further, Section 7725 of the Department of Corrections' Administrative Manual states that vocational training programs should contribute to maintenance and other self-sufficiency activities to the maximum extent possible.

Currently the vocational education program is not teaching some skills that the prison's maintenance department needs. As of November 7, 1985, the maintenance department had 37 (47 percent) unfilled work assignments of a total of 79. According to the chief of plant operations and the assignment lieutenant's list of unfilled work assignments available for inmates, the maintenance department needed skilled inmates--including electricians, carpenters, plumbers, and painters--to fill work assignments in its seven maintenance shops. Also, according to the chief of plant operations, the maintenance department has not been able to hire any inmates trained with suitable maintenance skills from the vocational education program in the past two years.

Folsom can provide vocational courses that teach both marketable vocational skills and skills needed for institutional self-sufficiency. The Department of Corrections has a list of 47 approved vocational courses for which there is a demand in the job market. According to the Department of Corrections' chief of vocational education, the prison's supervisor of correctional education programs can select any courses from this list that are appropriate for Folsom.

We compared the vocational courses Folsom currently offers with the unfilled work assignments in the maintenance department and with the 47 courses on the Department of Corrections' approved list. At least three of the prison's ten vocational education classes assist the prison in achieving self-sufficiency. For example, inmates in the landscaping class mow the lawns, trim trees, and water the grounds. Further, the graphic arts class prints calendars and other materials for Folsom. According to the associate warden for classification, a newly-begun painting class will have inmates paint prison facilities as part of their training. However, the vocational education program does not offer classes in three important skills for which the maintenance department has a shortage of inmates: plumbing, electrical maintenance, and maintenance carpentry.* Furthermore, two of these three skills are on the Department of Corrections' list of approved courses. Additionally, a course in building maintenance is on the Department of Corrections' approved list.

Over one-third of Folsom's inmates are serving prison sentences of ten years or more and would be available as skilled workers to Folsom and other prisons to which they transfer if they received vocational training in plumbing, carpentry, electrical, and other skills

*The vocational education program has a mill and cabinet course that contributes to the prison's self-sufficiency. However, the maintenance department's needs would be better served with skilled inmates from a maintenance carpentry course.

appropriate to the needs of the prisons. Maintenance supervisors at five of six other prisons we contacted told us they also have difficulty finding skilled inmate help for their maintenance programs. Also, according to the supervisor of vocational education programs in the Department of Corrections, there are fewer "state-of-the-art" changes in plumbing, carpentry, and electrical work than there are in other fields such as electronics and auto mechanics. Therefore, inmates who acquire these plumbing, carpentry, and electrical skills early in their prison terms would not find their skills significantly out of date when they sought employment upon their release.

Without a sufficient number of skilled inmates to assist Folsom's maintenance department, it must either pay private contractors or use its own staff rather than use relatively inexpensive inmate workers to complete some of its maintenance and repair projects. The prison pays inmates \$204 to \$468 per year for most work and training assignments. According to the chief of plant operations, Folsom's maintenance department has difficulty maintaining Folsom in an optimal condition with its current number of staff. He also stated that the maintenance department is backlogged with work orders, has not resolved deficiencies cited in quarterly Department of Health Services reports, and has not implemented the preventive maintenance program that we discussed in Chapter 1 of this report. Additional skilled inmates could help the maintenance department in meeting some of its needs.

Until recently, there appears to have been little coordination among key individuals in different divisions to identify training needs to enhance the prison's ability to become more self-sufficient. The coordinator for the Inmate Work/Training Incentive Program (Program Services Division) has not met or jointly developed plans with the assignment lieutenant (Custody Division), who assigns inmates to work and training assignments; the chief of plant operations (Business Services Division), who needs skilled inmate workers; or the supervisor of correctional education programs (Classification Division), who supervises training courses. Furthermore, according to the chief of

program development at the Department of Corrections, there is no formal system for coordinating vocational education training with work and training assignments for institutional needs.

In January 1986, however, Folsom established a committee of nine members to determine work and training assignments needed by the prison. According to the associate warden for classification, this newly established committee is scheduled to hold its first meeting sometime during January. The committee includes individuals from the Inmate Work/Training Incentive Program, vocational education, the maintenance department, and the assignment office.

Also, the supervisor of correctional education programs can improve his method of assessing the appropriateness of his vocational education courses. He stated that he does not assess the internal needs of the prison. Instead, he conducts local job market surveys in accordance with the Department of Corrections' Administrative Manual. Moreover, he stated that he has not referred any inmates from the vocational education program to the maintenance department. He uses the surveys to determine the marketable skills to be taught in the vocational education classes.

Conclusion

Folsom's training assignments do not always contribute to institutional self-sufficiency. Folsom's vocational education program has not taught inmates skills needed by Folsom's Plant Maintenance and Operations Department. As a result, Folsom's maintenance department has to defer or delay much of its maintenance work, and it must either pay private contractors or use its own staff rather than use relatively inexpensive inmate workers to accomplish maintenance repairs.

Recommendation

The warden should assign the chief deputy warden to oversee the activities of the newly formed committee to ensure that it maximizes Folsom's efforts to achieve self-sufficiency in maintenance and other prison functions. In addition, the warden should direct the supervisor of correctional educational programs to review and assess the vocational education courses to determine whether other courses such as plumbing, carpentry, and electrical would more effectively help Folsom achieve self-sufficiency while teaching inmates marketable skills.

CHAPTER IV
MAINTAINING INMATE RECORDS

The counseling offices and the records office within Folsom's Classification Division do not always review cases promptly or maintain accurate case records. For example, Folsom's correctional counselors do not always calculate inmate classification scores accurately or at required intervals; as a result, there may be an unnecessary delay in placing an inmate in his most appropriate security level. In addition, counselors for the security housing units (SHUs) do not always comply with due process procedures required for SHU inmates by scheduling inmates for classification committee reviews at the intervals required by the Department of Corrections' Classification Manual. As a result, inmates may not receive consideration for release from the SHUs at the earliest possible time.

Further, the Folsom records office does not always correctly record and correct in the Department of Corrections' computerized Offender-Based Information System the work credits that inmates earn or lose under the law. As a result, some computer data, which contains the summary of credits that the records office uses to calculate parole dates, is incorrect and may allow inmates to be released from prison either before or after they are eligible for release.

Finally, although Folsom's Level IV facility houses some inmates whose classification scores correspond to a lower level of security, Folsom and the Department of Corrections appear to be appropriately using their authority to administratively override the scores and retain the inmates.

Background

The Department of Corrections' Classification Manual requires that institutions house inmates in the lowest appropriate level of security.

In 1980, California implemented a new classification system to determine the security level of inmates. The system assigns points for an inmate's sentence, for his prior social and criminal history, and for both negative and positive behavior while in prison. The Department of Corrections initially classifies each inmate when it receives the inmate from court and, based on his score, assigns the inmate to a prison offering the appropriate level of security. Inmates with 56 points or more are assigned to Folsom or another Level IV prison. Each prison must periodically update the score and reclassify inmates according to behavior the inmate exhibits while in prison.

Folsom's Classification Division, through its classification committees and counseling staff, is responsible for reviewing inmates' case records periodically to ensure that Folsom houses inmates appropriately in its Level IV general inmate population or in its security housing units (SHUs). The Classification Division also refers inmates to the Department of Corrections' classification staff representatives for transfer from Folsom when classification scores drop below 56 points or when Folsom is overcrowded.

The Department of Corrections, through its classification staff representatives, approves inmates' placement at or transfer from Folsom based on the inmates' classification scores. The representatives can also override classification scores to place or retain inmates at Folsom who need Folsom's level of security. In addition, Folsom segregates inmates from its general population in the SHUs because, for example, the inmates have committed serious rules violations, are management problems for prison administration, or need protection from other inmates.

The records office within Folsom's Classification Division maintains a case file for each inmate in Folsom's custody. The correctional case records manager supervises the records office and reports to the classification and parole representative under the associate warden for classification. The case file includes all documents related to the

incarceration, classification, treatment, employment, training, and discipline of each inmate.

The records office also maintains the record of credits for the prison's work and training programs. State law prescribes the methods by which inmates can earn and lose credits. Inmates may earn credits by participating in work and training assignments that reduce their terms of incarceration. Inmates can lose credits if they violate Department of Corrections rules of conduct specified in the California Administrative Code. Further, the prison administration can also restore lost credits if an inmate applies for such restoration after serving a specified period of time without further rule violations. The records office is responsible for accurately recording the credits the inmates earned and lost and the credits that the prison restored.

Each month, the supervisors of inmate workers are responsible for submitting to the records office a time card for each inmate who has a work or a training assignment. Using these cards, the records office determines the number of credits that each inmate should receive and enters this information into the Department of Corrections' computerized data bank known as the Offender-Based Information System. Records office staff check the time cards' accuracy and the inmates' eligibility for work credits. The Offender-Based Information System then provides data with which records office staff calculate an inmate's term of incarceration. The Offender-Based Information System also provides a summary of other information, including the inmate's eligibility for work and training credits, his work group category (which indicates the rate at which the inmate can earn credit), dates of changes in his work assignments, and credits he may have lost for rule infractions. The summary also contains corrections, when necessary, of earlier entries.

Item 4.1 **Folsom Counselors Do Not Always Promptly and Accurately Recalculate Classification Scores**

Correctional counselors in the Classification Division do not always promptly and accurately recalculate inmates' classification scores. As a result, the Department of Corrections may not consider inmates for transfer from Folsom to a lower-level institution as often as they should be, and therefore they may not always be appropriately housed at a less expensive level of security. Recalculating classification scores is delayed because the Classification Division's system for alerting counselors to reclassification due dates does not always include all inmates due for reclassification. Classification scores are inaccurate because counselors inconsistently apply instructions, the instructions are unclear, there is no continual reclassification training for counselors, and the correctional counselor supervisors do not audit the counselors' reclassification sheets.

Audit Scope, Objectives, and Methods

To determine whether Folsom's correctional counselors calculate reclassification scores accurately and at required intervals, we analyzed a sample of 60 inmate case files containing 135 reclassification score sheets completed at Folsom. To determine whether counselors were updating classification scores annually or at appropriate other times, we examined the dates of the reclassification score sheets. To determine whether counselors used all required elements of both favorable and unfavorable inmate behavior to accurately calculate the reclassification scores, we compared the completed forms with documents in the inmates' central files and instructions for preparing reclassification scores found in the Department of Corrections' Classification Manual and amended instructions.

Analysis

Correctional counselors at Folsom are responsible for accurately recalculating each inmate's classification score at least once every 12 months. Folsom uses the Department of Corrections' reclassification score sheet in conjunction with instructions from the Classification Manual to recalculate the classification score. In July 1984, the State incorporated new instructions for the score sheet into Title 15, Section 3375 of the California Administrative Code. Section 3375 states that factors relating to an inmate's favorable and unfavorable conduct while incarcerated must be considered in recalculating the classification scores and that emphasis should be given to the inmate's documented behavior. In addition to recalculating classification scores at least every 12 months, the counselors must complete a reclassification score sheet when the prison is considering assigning an inmate to special housing or transferring him to another institution.

The instructions for calculating inmates' classification scores state that a total of four points will be deducted from an inmate's score for good behavior for each six-month period in which the inmate satisfies certain conditions that demonstrate favorable behavior. The six-month period starts from the date of the last calculation of an inmate's classification score. Inmates housed in the security housing units are not eligible to have points deducted for good behavior. Additionally, changes in the inmate's sentence, pending additional criminal charges, and other factors that affect the score must also be calculated into the classification score. Copies of each recalculation of the score must be sent to the Department of Corrections' central office, which enters the data into the Offender Information Services' computerized classification data base. According to the instructions, the counselor must record the current date on the form before forwarding the copies in order to document that the prison made a copy for the offender information services unit.

Folsom's classification committees and counselors periodically review inmates' cases when considering such changes as work assignments and privileges. However, Folsom's correctional counselors did not promptly complete all required recalculations of classification scores for 23 (38.3 percent) of the 60 inmate case files we examined. These 23 case files included delayed score sheets for 28 (20.7 percent) out of the 135 score sheets that the 60 files contained. Counselors were one month or less late in completing 3 (2.2 percent) of the 135 score sheets, from one to six months late in completing 12 (8.9 percent) score sheets, and more than six months late in 13 instances (9.6 percent). In one case, counselors did not recalculate an inmate's classification score for 23 months.

In addition to the delays, 16 (11.9 percent) of the 135 reclassification score sheets contained errors. For example, in one case, despite a provision in the Classification Manual for him to do so, the counselor neglected to reduce the classification score for an inmate when a criminal charge against him was dropped. Errors resulted in incorrect classification scores ranging from understatements of 19 points to overstatements of 20 points. Although we did not find that any of the errors in our sample resulted in a change in an inmate's classification, an inmate whose score is not accurate may be classified incorrectly in the future.

As previously stated, the Department of Corrections requires that Folsom send copies of current reclassification sheets to the central office to incorporate them in the classification data base so that central office staff can monitor inmates and identify them for reassignment to other institutions when appropriate. However, 70 (51.9 percent) of the 135 reclassification score sheets completed at Folsom were not date stamped or otherwise documented to show that Folsom staff had sent them to the central office. Without such documentation, the Department of Corrections has no guarantee that it has correct and current information regarding inmates' classification levels. Indeed, in an August 1985 audit of Folsom classification

scores, the central office found that 46.8 percent of the 47 cases it reviewed were not date stamped; therefore, the scores were probably inconsistent with those currently maintained in the computerized data base at the central office.

Delayed or inaccurate classification scores adversely affect inmates. Inmates may be delayed in receiving consideration for transfer to a lower-level institution, even though their most current classification scores qualify them for such a transfer. These inmates may remain under tighter security than necessary, and therefore be granted fewer privileges. For example, eligible inmates who are not transferred appropriately cannot participate in the more diverse work and training programs available at lower-level institutions. Moreover, inmates who are not promptly transferred are deprived of living in a potentially safer environment.

Delayed, incomplete, or inaccurate reclassification scores also adversely affect prison operations. Because maximum security is generally more expensive than lesser security levels, the State could pay unnecessary higher costs to incarcerate and provide security for inmates who should be in lower-level institutions.

In our sample, some delay in promptly updating scores occurred because Folsom did not review the classification scores of inmates who were out to court or on temporary medical transfer to other facilities when their scores should have been recalculated. However, when the inmates returned, counselors did not always note that an annual review was due, and the records office staff did not always identify them in the classification section's card file system that alerts counselors to annual reviews that are due. The card file system is supposed to identify inmates who are due for annual review by the prison's classification committee and, therefore, due for an annual update of their classification scores. The records office uses the card file system to prepare a monthly list for counselors identifying inmates due for review. However, the counselors for the general population inmates

do not maintain their own separate logs to verify the dates that inmates are due for review. Also, we found that the reclassification score for only 3 (13.0 percent) of our 23 delayed sample cases were delayed one month or less, and 9 (39.1 percent) were delayed 22 months or more.

There are several reasons why Folsom's correctional counselors do not correctly calculate classification scores. First, some counselors told us that they did not know the correct method. We found that counselors at Folsom used two different methods of calculation, one of which is incorrect. In addition, according to a classification supervisor in the classification services unit at the Department of Corrections' headquarters, some of the classification instructions are unclear. Further, the chief of the management analysis branch informed us that under the scoring instructions, inmates do not receive adequate credit for good behavior. As a result, counselors use different methods to calculate scores for inmates' good behavior. Inmates may not receive reductions to their classification scores for periods of good behavior that amount to less than 6 months, and thus they spend more time in Folsom than may be necessary. For example, one inmate for whom counselors updated the classification score after 8 months received a two-point reduction of his classification score for one 6-month period of good behavior but appropriately received no credit for the remaining 2 months of that period. Counselors next updated the score after 13 months and failed to give the inmate credit for a 6-month period of good behavior during the 13 months. A classification system manager in the Department of Corrections confirmed that this lack of adequate credit for good behavior is a problem not only at Folsom but other prisons also.

Another reason for the incorrect calculations is that counselors lack adequate training in completing the reclassification score sheets. According to a correctional counselor, the only recent formal training in classification that counselors received was a one-hour course given at Folsom after the Department of Corrections amended the instructions

for calculating reclassification scores in July 1984. New counselors currently receive on-the-job training in classification scoring and a copy of instructions to read, and supervisors and experienced counselors provide additional guidance. New counselors also attend a one-week training session at the Department of Corrections' academy. However, the Department of Corrections' classification system manager stated that the information on recalculating classification scores is not current. If instructions are unclear and counselors do not always know the correct method for calculating scores, on-the-job and academy training may be inadequate.

According to a supervising correctional counselor, a final reason for the inaccurate scores is that the supervisors do not audit and sign each reclassification score sheet, which is required by the Classification Manual, because of their heavy workload and higher priorities. The supervisors assume that counselors know how to complete the forms correctly because there has been little staff turnover in the last two years. The correctional counselors check each other's score sheets for mathematical inaccuracies and omitted items. However, since counselors apply some instructions inconsistently and are unclear about other instructions, they may not provide an adequate check for each other's score sheets if they do not have additional training.

Corrective Action

According to the classification systems manager, the Department of Corrections is drafting a new Classification Manual that incorporates revised classification score sheets along with new instructions for their use. Further, in September 1985, as a result of a Department of Corrections' audit of Folsom's classification procedures, the prison's Classification Division has instituted procedures to route all reclassification score sheets through the office of Folsom's classification and parole representative to ensure that Folsom sends copies to the Department of Corrections' headquarters. In addition,

the classification and parole representative plans to hold quarterly review and training sessions for all counselors using a central office computer audit to identify problems with classification scores. Finally, Folsom's warden stated that he is reorganizing Folsom into a "program unit" organizational structure that will make correctional counselors more accountable for identifying inmates who are due for annual recalculation of their classification scores.

Conclusion

Folsom's correctional counselors do not always promptly and accurately recalculate inmate classification scores. Classification scores are delayed because the Classification Division's card file system that identifies inmates due for annual reviews, which include calculating reclassification scores, does not always identify all inmates who should be reviewed. Classification scores are inaccurate because counselors inconsistently apply instructions, instructions are unclear, there has been no ongoing training for counselors in reclassification scoring, and supervisors do not audit the reclassification score sheets. As a result, Folsom may not consider as early as possible inmates whose reduced classification scores make them eligible for transfer to lower-level institutions.

Recommendations

Folsom's Classification Division should ensure that all inmates have reclassification score reviews at least once a year, and that inmates whose reviews are postponed are promptly rescheduled for reclassification review. Also, correctional counselors should consider maintaining their own case logs in addition to utilizing schedules that the records office provides.

Folsom's Classification Division should request the prison's in-service training office to provide initial and periodic training sessions on calculating reclassification scores. In addition, Department of

Corrections staff should provide training on the instructions contained in the new Classification Manual.

Item 4.2 **Folsom's Classification Division Did Not Conduct Prompt Reviews for Inmates in Security Housing Units**

Folsom's Classification Division did not conduct the initial 10-day and 120-day reviews for all inmates in its security housing units (SHUs) within the time limits required by the California Administrative Code and the Toussaint injunction. Consequently, the Classification Division delays any opportunities that inmates may have to demonstrate good behavior and thus qualify them for reduced SHU terms. Delayed reviews occur because inmates' case files are not always available to the counselors in time to review the case material and schedule the initial 10-day review. Further, prison searches have forced subclassification committees to cancel some scheduled reviews because the review meetings had been scheduled to be held inside the buildings being searched. Finally, delays occur because Folsom may not have an adequate number of counselors to process the workload required for the SHUs that is generated by the high turnover of inmates, the Toussaint injunction, and the urgent requests for other reviews. However, we found that the Classification Division properly conducted the reviews required before inmates' minimum eligible release dates from the SHUs and that all inmates in our sample received the required annual reviews.

Audit Scope, Objectives, and Methods

To determine whether inmates who are placed in security housing units at Folsom receive the reviews required by the California Administrative Code and the Toussaint injunction, we reviewed case files for 20 inmates assigned to the SHUs during calendar years 1984 and 1985.

Analysis

Title 15, Section 3338 of the California Administrative Code requires institutions to conduct an initial review of all inmates they place in SHUs within ten days of the date of placement, except in certain circumstances.* Section 3619 of the Department of Corrections' Classification Manual requires Folsom's SHU subclassification committee to review inmates placed in SHUs at its first scheduled meeting following the inmates' placement and, additionally, to review each inmate at least every 120 days. The purpose of these reviews is to decide the inmate's activities in the SHU and to determine that the inmate's continued placement in the SHU is appropriate. A review usually consists of an examination of an inmate's case file and an interview with the inmate. Further, the Toussaint injunction requires Folsom to conduct at least an annual review of each SHU inmate or a review before his minimum eligible release date from the SHU, whichever comes earlier. Folsom establishes an inmate's minimum eligible release date according to the rule violation he commits, based on the stipulations of Section 3617 of the Department of Corrections' Classification Manual. Sections 3620 and 3621 of the Classification Manual also require the prison and the Department of Corrections to review annually SHU inmates who do not have minimum eligible release dates to assess their potential for release to the prison's general population. Finally, Section 3617(h) of the Classification Manual allows the warden to commute the minimum eligible release date of a SHU inmate.

*Initial reviews are not required within ten days of placement when 1) the segregation order has been withdrawn and the inmate has been returned to general population status, 2) the inmate has been found guilty of the charged misbehavior at a disciplinary hearing, 3) a continuing state of emergency exists, and 4) if the inmate is retained in segregated housing for any reason after acquittal or dismissal of disciplinary charges that warranted segregation pending a disciplinary hearing.

We reviewed twenty case files of inmates housed in SHUs during fiscal year 1984-85. For four (20 percent) of the twenty inmates confined to a SHU, the Classification Division did not conduct the initial reviews within the required 10 days. Delays ranged from 4 days to 23 days. Additionally, for eight (40 percent) of the twenty inmates, the Classification Division did not conduct reviews at 120-day intervals. These eight cases involved 15 delays ranging from 5 days to 91 days. Finally, the Classification Division conducted all eight of the reviews required before inmates' minimum eligible release dates. In addition, all inmates in our sample received their required annual reviews.

According to a correctional counselor, who is a member of the subclassification committee, the ten-day initial reviews are often not done within ten days of placing an inmate in a SHU because the records office is updating the inmate's case file or because another committee in the prison may be using the file, making it unavailable to the counselor. Additionally, periodic searches of the SHU buildings by the Custody Division force the subclassification committee to cancel some of its scheduled reviews because the review meetings are held in the areas that are being searched.

The Classification Division did not always conduct the 120-day reviews within the specified intervals because, according to a supervising counselor, each correctional counselor routinely allots only one week during the month to schedule meetings for reviewing the cases of inmates assigned to SHUs. The supervising counselor told us that she does not consider a delay of 30 days or less to be abnormal for the 120-day review because, whenever the subclassification committee does not conduct a review as scheduled, the correctional counselors reschedule the inmates for the following month. However, we found that four (27 percent) of the fifteen delays exceeded 30 days.

Folsom's classification and parole representative stated that additional work is required of correctional counselors responsible for SHU inmates because the SHUs are filled to capacity. Folsom's SHUs

house approximately 750 inmates, and the turnover of inmates in SHUs is high. To place new inmates into the SHUs, the counselors must review case files to determine which inmates can be transferred out of the SHUs. According to the classification and parole representative, over 200 inmates were placed in the SHUs during a recent one and one-half month period. The Classification Division has five counselors for its approximately 750 SHU inmates, a caseload of approximately 150 inmates per counselor, which corresponds to the Department of Corrections' workload standard for counselors. However, not only do the law and Department of Corrections procedures require additional due process activities for SHU inmates, but according to a budget proposal that Folsom has submitted to request additional counselors, the SHU counselors at Folsom must also perform additional work to meet the requests of the monitor appointed by the federal court to review Folsom's compliance with the Toussaint injunction. The monitor requires monthly reports and requests answers to numerous questions about inmates that require counselors to perform special examinations of inmate files. According to the Department of Corrections' classification system manager, the Department of Corrections has never analyzed the staffing needs for SHU counselors at Folsom to adjust the staffing ratio to handle the extra work required for SHU inmates. Folsom's budget proposal, submitted in July 1985, requests six additional counselors for the SHUs and is based on the increased workload required of its SHU counselors.

When the Classification Division retains inmates in the SHUs without conducting required reviews, it denies inmates the due process specified by the California Administrative Code and in the Department of Corrections' Classification Manual. Further, the lack of sufficient reviews violates the Toussaint injunction. According to the court's appointed monitor, the court can levy sanctions against Folsom for failing to comply with the injunction.

In addition, since the Department of Corrections' Classification Manual provides that the warden may reduce or commute the term of SHU

confinement for an inmate, when the Classification Division retains inmates in the SHUs without conducting the required 120-day reviews, it denies inmates the opportunity to demonstrate good behavior that could qualify them for reduced SHU terms and for reassignment to Folsom's general population.

Corrective Action

According to Folsom's classification and parole representative, in January 1986 Folsom received two additional correctional counselor positions for the SHUs. Further, the Department of Corrections' management analysis section is conducting a review of correctional counselor workloads and expects to publish its report in spring 1986.

Conclusion

Folsom's Classification Division did not conduct the initial 10-day and required 120-day reviews for all inmates placed in SHUs. The lack of required reviews denies inmates the due process provided them, violates the Toussaint injunction, and denies them the opportunity to demonstrate good behavior that could qualify them for reduced SHU terms.

Recommendation

The Department of Corrections should consider a change in the staffing ratio for SHU counselors, based on results of the workload study that its management analysis section is performing. In addition, Folsom's Classification Division should assure that correctional counselors have access to SHU inmates' case files in time to conduct the initial reviews within the required 10 days. Also, Folsom's correctional counselors should ensure that SHU inmates receive their 120-day reviews within the required time limits.

Item 4.3 **Folsom's Records Office Does Not Always Accurately Record or Correct Work Credits**

The records office, located in Folsom's Classification Division, does not always calculate or record accurately the credits that inmates earn in the Department of Corrections' work incentive program. In addition, the records office does not always correct inaccuracies in credits that inmates received from other institutions. If records of work credits are not correct, inmates can be incarcerated too long or released too early. According to the case records manager, the records are inaccurate because the work incentive program includes complex recordkeeping procedures that require more audit, verification, and review than the records office staff have time to perform. Further, the Department of Corrections' Records Manual is out of date, and records office staff have received conflicting instructions from the Department of Corrections.

Audit Scope, Objectives, and Methods

To determine whether Folsom's records office accurately calculates and records credits that inmates either earn by participating in work and training assignments or lose for violating rules, we reviewed a sample of 56 case files for inmates who were eligible for work and training credits. We examined inmates' timecards from Folsom for July 1984 through June 1985, and we examined data from the Department of Corrections' Offender-Based Information System for the period that inmates were earning work and training credits.

Analysis

Section 2081.5 of the Penal Code, Sections 101, 201(c), and 469(b) of the Department of Corrections' Case Records Manual, and Sections 5001(c) and 5008(d)(4) of the Department of Corrections' Administrative Manual require complete and accurate case record information for inmates, including information on an inmate's

employment or training. Further, Folsom's Warden's Directive 117 requires a secure, accurate, and verifiable timekeeping system for calculating and recording the days of credit that an inmate earns. Credit that an inmate earns reduces his term of incarceration.

Records office staff enter the days of credit that inmates earn for work, lose due to rule violations, or regain for good behavior into the Offender-Based Information System. Periodically, the records office obtains a printout of these data and calculates an inmate's date of eligibility for parole.

Eleven (19.6 percent) of the 56 case files we examined contained inaccuracies in data; 7 of these 11 (12.5 percent of the 56 cases) contained inaccuracies that resulted in an overstatement or an understatement of work credits. If inaccuracies in inmates' credits are not corrected, overstated credits will result in the calculation of an earlier parole date than is appropriate, and understatements will result in the calculation of a later parole date than is appropriate. Inaccuracies in Folsom's data included an error on one timecard, errors in data that records office staff entered into the Offender-Based Information System, and errors in inmates' credit-earning status. For example, one timecard in our sample contained a mathematical error in totaling credits. The records office did not correct the error, and, as a result, the inmate's credits were overstated by one day at the time our audit was concluded. Normally, an inmate's work supervisor is responsible for totaling credits on the timecards; it is the records office's practice to check the totals. Errors that affected credits in six cases occurred because records office staff entered data into the Offender-Based Information System that were not consistent with the documents in the inmates' case files. For example, the Offender-Based Information System placed three inmates in incorrect credit-earning categories. Consequently, the inmates were earning credits at the wrong rates. The errors we found resulted in overstated credits ranging from one to 11 days for six inmates and understated credits of one day for one inmate.

Furthermore, Folsom's records office does not always correct inaccuracies in credits granted by inmates' previous institutions. Nineteen inmates in our sample earned work credits at other institutions before transferring to Folsom. Files for 6 (31.6 percent) of these 19 contained inaccuracies and gaps in the data entered by those previous institutions. It is the records office's policy to verify the accuracy of the data contained in the Offender-Based Information System when the inmate transfers to Folsom.

Errors in work credits can result in incorrect incarceration terms for some inmates. Two of the inmates in our sample were released on parole during our review. Both of these parolees' files contained inaccurate work credits. However, neither of these inmates was paroled too early or too late. In one case, the inmate had two days of understated credit as a result of uncorrected inaccuracies from a previous institution and two days of overstated credit as a result of Folsom's error. In the second case, one day of overstated credit did not affect the inmate's parole date because the inmate won an appeal that immediately paroled him. Nevertheless, the inaccuracies were still in the Offender-Based Information System after the records office's pre-parole audit of the case file. Until the records office corrects the work credits for the remaining five inmates in our sample, the records office will incorrectly calculate the inmates' incarceration terms. Errors range from an overstatement of 11 days to an understatement of one day. Although these errors are relatively small, the potential for additional errors occurring in the future exists because of the apparent breakdown in the recordkeeping practices of the records office.

According to the case records manager, the recordkeeping requirements for both the work incentive program and the Toussaint injunction for Folsom's SHU inmates are complex and require more audit and review time than her staff have. Consequently, staff often accept as accurate the Offender-Based Information System data from other institutions. Furthermore, the case records manager told us that records office staff

must neglect many required audits of inmates' case files when inmates enter prison in order to complete the more critical audits of inmates who are due to be paroled soon.

The workload of the records office has been heavy because the records office must maintain records on every action affecting an inmate, including disciplinary actions, SHU housing, work and training participation, and transfers. Before the Inmate Work/Training Incentive Program (IW/TIP) began in 1983, the records office did not have any IW/TIP timecards to review, but by November 1985, over 1,200 Folsom inmates had assignments and monthly timecards. Inmates who change assignments during a month have more than one timecard for that month. Additionally, as designated by the Department of Corrections' classification system, implemented in 1980, Folsom houses primarily maximum security inmates. Moreover, in 1984, Folsom began expanding its capacity to house SHU inmates. Furthermore, the Toussaint injunction in 1984 requires that inmates in the SHUs must receive routine reviews of their cases at least every 120 days, or three times more often than inmates in the general population. Finally, Folsom's population increased from 2,057 in 1981 to approximately 3,000 in 1985, an increase of about 50 percent, and Folsom has received and transferred approximately 11,000 inmates during each of the last two fiscal years. Although the records office's workload has increased since 1981, its staffing level has remained approximately the same as in 1981. In fiscal year 1984-85, Folsom's records office staff worked 2,247 hours of overtime. Despite all of these changes and requirements, the chief of correctional case records for the Department of Corrections told us that staffing for Folsom's records office has never been thoroughly analyzed or adjusted. However, he did say that he has the authority to adjust case records staff positions between institutions in the Department of Corrections.

Another reason for the inaccuracies in work credits is that the Department of Corrections' current Case Records Manual does not include specific instructions for work incentive records, it is out of date,

and records office staff have received conflicting instructions from the Department of Corrections. The Case Records Manual has not been updated since the onset of the IW/TIP in January 1983. The current manual and state law require staff to maintain complete and accurate records. In a November 1984 training course, Department of Corrections staff told the records office staff of the various institutions that they should try to accept as accurate Offender-Based Information System data from other institutions. However, there have been recent adverse court judgements involving recordkeeping against the Department of Corrections' prisons, and an increasing number of lawsuits filed against the Department of Corrections regarding the prisons' recordkeeping. Therefore, the Department of Corrections has issued verbal instructions to records offices to correct all errors in work credits that they encounter, including those made at other institutions. The Department of Corrections has drafted a revised Case Records Manual, but the draft manual has not been approved or distributed to the prisons. Thus, records office staff may not have the most comprehensive and up-to-date instructions for work incentive program recordkeeping.

Conclusion

The records of inmates' work credits contained errors because the records office does not always accurately record or correct these credits. Some inmates have overstated credits and other inmates have understated credits. Although the records office may not have sufficient staff to meet all of its work requirements, the Department of Corrections has not analyzed the number of staff necessary to carry out the record review required for the work incentive program and the Toussaint injunction, as well as for other required case reviews and audits. The Department of Corrections has not updated its Case Records Manual to include instructions for recording work credits.

Recommendation

To plan accurately for necessary staffing, Folsom's records office, in conjunction with the correctional case records office in the Institutions Division of the Department of Corrections, should analyze the number of staff and supervisors necessary to carry out the workload for each required case record function, including work incentive program timekeeping, Toussaint injunction requirements, and complete audits of case files. The Department of Corrections' chief of correctional case records should adjust staffing at Folsom according to this documented workload.

Folsom's records office should routinely check the accuracy of inmates' timecards and periodically audit the data in the Offender-Based Information System. The records office should also ensure that all of the work credits, credit losses, and restorations of credits in each inmate's file are accurate before the inmate is transferred to another prison or paroled.

The Department of Corrections should approve and distribute its revised Case Records Manual. The revised manual should include procedures that ensure that records offices at each prison correct errors in work credits in the Offender-Based Information System before an inmate transfers to another prison.

In addition, the Department of Corrections should evaluate the complexity of the work incentive program timekeeping system to determine whether portions can be streamlined or automated further to increase its accuracy and reduce excessive workloads in the records offices.

Item 4.4 **Inmates Are Being Appropriately Assigned to Folsom
According to the Department of Corrections'
Classification System**

The Department of Corrections and Folsom's Classification Division are appropriately placing inmates at Folsom. Seventy (92.1 percent) of the 76 inmates in our sample had classification scores placing them at a maximum security level at the time they entered Folsom. Further, the Department of Corrections had appropriately placed the remaining 6 (7.9 percent) inmates at Folsom because they had committed serious violations of rules at other institutions.

Audit Scope, Objectives, and Methods

To determine whether the Department of Corrections' and Folsom's Classification Division appropriately place inmates at Folsom, we reviewed case files for a sample of 76 inmates housed at Folsom on June 21, 1985. We compared the inmates' classification scores at entry to Folsom and their scores on the date of our review with the minimum score necessary to retain them in a maximum security institution such as Folsom. For any inmates whose scores were below the minimum score, we investigated the reason why these inmates had been assigned to Folsom.

Analysis

The Department of Corrections' Classification Manual requires that institutions house inmates in the lowest security level consistent with public safety. The Department of Corrections uses its classification scoring system to assign a security level to each inmate. The scoring system designates a score of 56 points and above as a "level 4," or maximum security, score. Therefore, because Folsom is designated as a maximum security institution, it should house inmates with classification scores of 56 points or more.

The Department of Corrections can override a classification score of less than 56 points and transfer an inmate to Folsom if he commits one of six offenses. These "big six" offenses include such offenses as assault on a staff member, possession of a deadly weapon, and attempted escape. Further, the Department of Corrections may transfer inmates whose behavioral problems affect the security of the institution that currently houses them.

Seventy (92.1 percent) of the 76 inmates in our sample entered Folsom with classification scores placing them at level 4 or maximum security. Moreover, the Department of Corrections had transferred all of the remaining 6 inmates to Folsom and overridden their scores because they had either committed one of the six serious offenses or because they had behavioral problems at their previous institutions.

At the time of our review, the classification scores of 68 (89.5 percent) of the 76 inmates we reviewed qualified them for maximum security. The classification score of one of the six inmates whose scores were previously overridden had increased to level 4 because he violated additional rules while he was incarcerated at Folsom. The other five inmates still had scores of less than 56 points. We were unable to determine the current classification scores for 3 inmates because they were transferred to another institution after our initial sample selection.

Conclusion

The Department of Corrections and Folsom's Classification Division appropriately retain inmates at Folsom based on the inmates' classification scores or because the inmates committed serious offenses or exhibited behavioral problems at lower-level institutions.

CHAPTER V
PROVIDING ANCILLARY SERVICES TO INMATES

Folsom provides various services to inmates. We found deficiencies in the appeals system for inmate grievances, in the documentation of services to inmates in the security housing units (SHUs), and in the institutional mail system. On the other hand, our audit tests did not detect a problem in the visiting program. Folsom's appeals office does not always process inmate appeals within the required time limits. As a result, inmates must wait longer than necessary for prison staff to either grant or deny appeals regarding such issues as lost property and consequently may file unnecessary lawsuits to ensure their rights. Also, SHU administrators do not adequately document Folsom's provision of those services to SHU inmates required by the Toussaint vs. McCarthy permanent injunction (Toussaint injunction). As a result, Folsom could be liable for fines for noncompliance with the court injunction. Further, Folsom's mail room staff do not always verify the confidential status of correspondence that inmates send from the institution; as a result, inmates can mail to unauthorized recipients information constituting a danger to the institution. In addition, the mail room staff cannot prove that they delivered all certified or registered mail to inmate addressees or returned it to the senders. As a result, inmates do not always receive certified mail, and mail can be lost.

Folsom's visiting office provides daytime and overnight visiting, even during lockdown periods. It appears to deny entry to visitors only for reasons established by code.

Background

Inmate Appeals

Title 15, Section 3003 of the California Administrative Code provides that every person under the jurisdiction of the Department of

Corrections has the right to appeal decisions, conditions, or policies affecting his or her welfare. Folsom provides procedures for inmates to appeal matters that affect their welfare.

An appeals coordinator under Folsom's associate warden for program services is responsible for Folsom's appeals process. All formal inmate appeals are routed through the coordinator's office. The procedures first require staff in the various divisions of the prison to try to resolve an appeal informally so that an inmate does not have to submit a formal appeal. Folsom's procedures provide up to three levels of formal appeal and review by staff at positions of increasingly higher levels of responsibility. Staff must provide the inmate with a response in writing at each level of appeal, stating whether the appeal is granted or denied and explaining the reason for doing so. Section 7314 of the Department of Corrections' Administrative Manual specifies time limits for each level of appeal. If resolution at the earlier levels of appeal is not satisfactory to the inmate, he may resubmit a formal appeal to the director of the Department of Corrections. The inmate must take his appeal to court if he is not satisfied with the director's decision. In fiscal year 1984-85, inmates at Folsom submitted 1,433 first-level appeals and over 900 second-level appeals. In total almost two-thirds of the appeals that inmates submitted in fiscal year 1984-85 related to disciplinary actions (19.9 percent), inmate property and funds (30.9 percent), or case information and records (11.6 percent).

Security Housing Unit Services

Folsom includes two security housing units (SHUs) for approximately 738 inmates. In October 1984, under the Toussaint injunction, the U.S. District Court required Folsom and San Quentin State Prison to provide in their SHUs specified living conditions, including certain essential caretaking services such as showers, exercise, clean clothing, and adequate meals. The federal court appointed a monitor to periodically

review Folsom's progress in complying with the injunction. Lack of compliance can provide cause for the court to assess fines against Folsom.

Visiting Program

The prison's Custody Division establishes daytime visiting hours for inmates to visit with family members and friends. Twice a week, the division allows evening visits for specified general population inmates who have daytime work and school assignments. In addition, the division allows inmates, except those in maximum security cells or those restricted from personal visits, to visit with family members for two days in one of Folsom's four family visiting apartments. To visit inmates, visitors must apply for and receive written approval from the division's visitor processing office. Visitor application forms include questions on the visitor's arrest history. For each visit, visitors also must provide proof of identification, including a photograph, and submit to a search for unauthorized items or substances if requested to do so.

Mail Room

Folsom's Custody Division is responsible for the prison's mail room. The mail sergeant supervises the daily operation of the mail room. Folsom's mail room handles outgoing and incoming mail for inmates, outgoing mail for Folsom's administrative offices, and internal mail within the institution. The mail room processes approximately 3000 pieces of mail on a routine day and over one million pieces each year. The mail room has eight staff on Mondays through Fridays and two staff on Saturdays and Sundays. The California Administrative Code allows inmates to send and receive sealed or confidential mail to and from specified correspondents. Four mail room clerks record any confidential mail sent or received by each inmate and all incoming or outgoing inmate funds. Mail room staff also collect certified and registered mail from the U.S. Post Office at the prison, record it, and disburse it to the inmate housing units.

Item 5.1 **Folsom Is Not Meeting Policy Time Limits in Processing Inmate Appeals**

Folsom's inmates are not receiving responses to their appeals within required time limits. As a result, inmates who are delayed in the resolution of their grievances may experience increasing frustration with the prison system and be more likely to resort to litigation to resolve complaints. Appeal forms have been lost, the appeals coordinator is solely responsible for investigating approximately 40 percent of the appeals, and past administrations at the prison have not placed a high priority on the prompt processing of inmate appeals.

Audit Scope, Objectives, and Methods

To determine whether Folsom responds to inmate appeals within time limits required by the Department of Corrections, we selected a sample of 76 inmates representing both general population and SHU inmates and obtained all of the appeals that these inmates filed at Folsom between January 1984 and September 1985. We calculated the number of work days between the dates that inmates submitted the appeals and the dates that Folsom staff responded and then compared these intervals with requirements specified in Chapter 7300, Section 7314, of the Department of Corrections' Administrative Manual. To determine the effect of Folsom's delay in responding to appeals, we interviewed two inmates who had filed appeals at the prison last year.

Analysis

Chapter 7300 of the Department of Corrections' Administrative Manual and Folsom's operational procedure for appeals require that the prison respond to inmate appeals within specified time limits. The Administrative Manual encourages staff to resolve the problem informally within five working days of the date the inmate initially submits his appeal document (Form CDC 602). If staff are unable to resolve the appeal informally, an inmate can resubmit the appeal for

formal review and response. Upon receiving the formal appeal from an inmate, staff must send the appeal to Folsom's appeals coordinator within 15 days of the action being appealed. The coordinator records the appeal, reviews it, and assigns it to the appropriate division for a response.

Section 7314 of the Department of Corrections' Administrative Manual requires institutions to respond to a first-level appeal and return it to the inmate within 15 working days of receiving it. Institutions must respond to and return a second-level appeal, or warden's review, within 10 working days of receiving it, except that institutions have 15 working days to respond to second-level appeals which have bypassed the first level of appeal. The third level, or director's review, must be completed at the Department of Corrections and returned to the inmate within 20 working days. In addition, all inmates who appeal to the third level must receive responses to their appeals, from the first through the third level, within 90 calendar days of the date their first formal appeal was received by the prison.

Between January 1984 and September 1985, 13 inmates (17.1 percent) in our sample of 76 Folsom inmates submitted 22 appeals to Folsom staff. We reviewed the 19 appeals that were available in Folsom's files and found that Folsom staff frequently did not respond to either the informal appeals or the first and second level of appeals within the required time limits.

Folsom staff did not respond within the five-working-day limit to over two-thirds of the appeals requiring informal responses. In our sample of 19 appeals, 8 (42.1 percent) bypassed the informal review. For 8 of the remaining 11 appeals (72.7 percent), Folsom staff did not respond informally within the five-working-day limit. Inmates received informal responses from 7 to 22 days after the inmates submitted their appeals.

Seventeen of our 19 sample appeals went beyond the informal review stage of appeal. Of the 16 appeals which were reviewed on the first level, we found that staff did not respond to 9 (56.3 percent) within the required 15 working days. Staff spent an average of 18.5 working days to complete the 15 appeals for which the time interval between appeal reception and completion could be computed; this does not take into account any additional time required to return the appeal to the inmates after staff responded. Folsom was not responsible for one appeal that required 30 working days for the first-level response because the appeal concerned property lost during an inmate's transfer from another institution, and staff at the former institution researched the problem and provided the response. Nevertheless, 12 days elapsed between staff signature and division review, adding to the delay. However, in another case, after seven weeks (35 working days) had elapsed on a first-level appeal in 1984 regarding an inmate's property, staff requested the inmate to refile the appeal because the original appeal had been lost. The appeals coordinator stated that staff that prepare the first-level response frequently lose the appeal forms, thus forcing inmates to resubmit them.

Eight of our sample of 19 appeals went to a second level, or "warden's" review, for which the appeals coordinator prepares the response. The responses to 3 (37.5 percent) of the 8 at the second level were not completed within the required time limits. Late appeals ranged from two to six working days over the time limit.

Five of our 19 sampled appeals reached the third, or director's level of review. Response to 2 of these 5 came within the three-month limit. The other responses were not complete until 21 to 126 days past the 90-day limit.

When staff do not respond to appeals promptly, inmates cannot obtain early resolution of their grievances, and they experience increasing frustration with the prison system. The appeals process is the inmates' only administrative recourse for legitimate complaints.

According to the appeals coordinator, inmates are increasingly resorting to litigation to resolve complaints, and courts may rule against prison staff if the courts find negligence, indifference, or disregard of legitimate inmate grievances. Inmates in state prisons filed 289 court cases against the Department of Corrections in fiscal year 1984-85, representing an increase of 15 percent over 1983-84 and 106 percent over 1982-83.

An inmate told us that Folsom staff are poor at responding to inmate appeals, they are usually late, and they do not address the issues of the appeals in their responses. He, therefore, always submitted appeals with complaints filed directly with the courts.

Folsom staff are slow to respond to inmate appeals for several reasons. First, an average of 5.3 working days elapsed between the date the appeals office received the appeal and the date the appeals coordinator assigned the appeal; regulations allow up to 5 working days for this period. Consequently, although the appeals coordinator is assigning due dates (for completion of appeals review) which average 15.4 working days from the date he makes the assignments, the 15 days allow other staff too much time to prepare responses; the assigned response time averaged 20.7 working days from the date of reception, even though the appeal must be completely processed and returned to the inmate within 15 days. In addition, the appeals coordinator said that he has been the only person who is actually responsible for ensuring that appeals are responded to and not lost, and the prison administration has not, in the past, placed a high priority on the prompt processing of inmate appeals. Furthermore, the appeal logging system is not automated, the appeal forms (CDC 602) are single copy, and two of the three types of appeal forms Folsom used do not require the date the appeal is received to be noted on the form. This date is only noted on the appeals coordinator's log for first-level review.

Finally, the appeals coordinator himself was responsible for logging, reviewing, and assigning the 1,433 first-level appeals and 921

second-level appeals in fiscal year 1984-85. The appeals coordinator processes an average of 10 appeals each day. The appeals coordinator is also responsible for an estimated 40 percent of the actual investigations of appeals because he carries out the second-level review on behalf of the warden. Second-level reviews include interviewing inmates and staff, researching files, analyzing data, and preparing responses. The 921 second-level appeals submitted by inmates in fiscal year 1984-85 resulted in an average of 3.9 second-level appeals for the appeals coordinator to complete each day.

Corrective Action

In September 1985, the chief deputy warden requested that the captain in the Custody Division maintain a log of the appeals sent to his division. Further, in December 1985 the warden directed each division to maintain a log to track appeals in the division. In addition, the chief deputy warden told us in December 1985 that, to monitor the appeals process, he will require monthly reports from division heads on the disposition of inmate appeals.

Conclusion

Folsom inmates have not received responses to their appeals within the time limits specified by Department of Corrections policy. Staff are misplacing appeals, and one staff person at Folsom must personally investigate and respond to an estimated 40 percent of the appeals that inmates submit. Further, the past administration has not placed a high priority on prompt processing of inmates' appeals.

Recommendation

To expedite Folsom's appeals process, Folsom and the Department of Corrections should consider using a multi-part appeal form that will allow an inmate to retain an original copy while sending other copies to the appeals coordinator. The appeals coordinator could retain a

copy and distribute the remainder to the associate wardens whose divisions are responsible for responding to the appeals. In addition, to more easily log and track inmate appeals, staff in the appeals coordinator's office should also stamp each appeal form immediately with the date and time that the office receives it at each level of review. Folsom should also consider automating its appeals log so that the appeals coordinator can detect overdue appeals immediately. In addition, the appeals coordinator and division heads should establish due dates for responses that will allow Folsom to return the appeals to inmates within required time limits. Finally, Folsom should evaluate the workload of the appeals coordinator and determine whether additional staffing may be necessary to expedite the processing of appeals.

Item 5.2 **The Custody Division's Records of SHU Living Conditions and Services Provided to SHU Inmates Are Incomplete**

Custody Division staff do not accurately record the living conditions and services that the prison provides for its inmates in its security housing units (SHUs). As a result, the prison can be susceptible to fines from the court for being out of compliance with the federal Toussaint injunction.

Audit Scope, Objectives, and Methods

To determine whether the Custody Division provides to SHU inmates the living conditions and services that the October 1984 Toussaint injunction requires, we reviewed SHU cell logs (called CDC 114A forms) to identify the services provided to a sample of 23 SHU inmates. We reviewed a 13-week period within the months of June, July, and August 1985. During six of the weeks in our review period, the prison was periodically under lockdown and, as such, the warden suspended many services to inmates. Therefore, we focused our analysis on conditions and services provided during the seven weeks that did not include lockdown. In this analysis, we evaluated the living conditions

required by the Toussaint injunction in each of the two SHU buildings. To verify the information in the logs and the conditions of the cells, on September 9, 1985, we interviewed 20 of the 23 inmates at their cells (one inmate was not available, and two inmates refused to be interviewed). We also interviewed SHU administrators and staff in each of the two SHU buildings, SHU I and SHU II.

Analysis

The Toussaint injunction requires Folsom to provide outdoor exercise for all SHU inmates a minimum of three times a week or at least a total of eight hours per week. Also, exercise cannot be suspended for more than 10 days except for reasons of discipline, inmate safety, or prison security. The injunction also requires clean linens, blankets, and clothing, that cells have containers for trash, and that staff collect trash at least daily. Folsom must also eradicate vermin. Additionally, the prison cannot allow loudspeaking devices such as those on radios and televisions, and it must supply SHU inmates with earplugs every month. Cells must also have sufficient light for inmates to read by and functioning sinks and toilets. Finally, the injunction states that no prisoner assigned to segregation shall be involuntarily double-celled with another prisoner in any cell smaller than 70 square feet. Folsom's SHU cells are smaller than 70 square feet.

Cell logs did not always demonstrate that Folsom provided the living conditions and services that the Toussaint injunction requires. Although the cell logs in SHU I revealed that staff provided inmates with the required exercise, shower opportunities, clothing exchange, linen exchange, and meals, the logs also indicated that, for the period we sampled, staff did not collect trash daily 66.1 percent of the time, that staff did not provide personal supplies 11.4 percent of the time, and that staff did not make cell inspections for cleanliness 20.0 percent of the time.

Similarly, the cell logs for SHU II indicated that staff generally provided the required services for meals, linen exchanges, and shower opportunities. However, the cell logs indicated that the SHU II inmates we sampled did not have the required opportunities to exercise 36.0 percent of the time, the required clothing exchanges 29.8 percent of the time, the required trash collection 27.3 percent of the time, the required personal supplies 14.0 percent of the time, and cell inspection 32.5 percent of the time.

Our interviews with the inmates, however, demonstrated that the information in the cell logs was not complete. When we interviewed the SHU inmates at their cells, they told us that they received services as required. In addition, SHU officers stated that inmates could obtain personal hygiene supplies when they needed such supplies.

As a result of Folsom's incomplete cell logs, Folsom cannot prove to the federal court that it provides all required conditions and services to SHU inmates. The court has appointed a court monitor who is responsible to ensure that Folsom complies with the requirements of the Toussaint injunction. The judge stated that \$500 per day in contempt citations would be levied against Folsom should the court find, for example, that Folsom is double-celling inmates. The court monitor told us that he also found the cell logs to be incomplete and that Folsom is therefore running a greater risk of being found in contempt than if the records were accurate.

To determine why SHU cell logs conflict with conditions described by SHU inmates, we interviewed the SHU program administrator and building staff. The program administrator told us that he believed that Folsom provided all the required living conditions that we tested but that officers on duty did not always complete the cell logs properly. The SHU II lieutenant stated that, during the period we analyzed, SHU II staff frequently included relief officers who were not always trained to maintain the cell logs properly. He also stated that, until recently, there had been little instruction for SHU staff in completing

the logs. In July 1985, Folsom's in-service training office provided classes on completing cell logs that all SHU correctional officers were required to attend. The SHU cell logs show an improvement in the reported compliance with over half of the required living conditions after the July classes.

Corrective Action

Folsom has instituted an Institutional Inspection Panel composed of the associate wardens for custody, program services, and classification. This panel systematically audits SHU cell conditions, interviews inmates, and examines the documentation of services. In addition, the SHU II lieutenant has instructed his staff on correct recordkeeping procedures.

Conclusion

Folsom does not fully document that it provides to SHU inmates the living conditions and services required by the Toussaint injunction. As a result, Folsom is in jeopardy of paying fines to the federal court for contempt citations.

Recommendation

Folsom should ensure that all new staff assigned to the SHU buildings, including any relief staff, be instructed on providing and documenting Folsom's compliance with the Toussaint injunction. Such instruction should include discussion of problems that the Institutional Inspection Panel detects in its audits of cell conditions and ways to solve those problems.

Item 5.3 Folsom No Longer Suspends Personal Visits During Lockdown

Although a former warden had suspended personal visits during prison lockdowns, Folsom's wardens have not suspended visits during lockdowns since November 30, 1984. In addition, the Custody Division denied visitors for the ten inmates in our sample only for those reasons specified in the California Administrative Code.

Audit Scope, Objectives, and Methods

To determine if Folsom wardens have allowed personal visits during prison lockdown, we reviewed reports from the visitor processing office, the daytime visiting room, and the family visiting units. To confirm the accuracy of the reports, we examined visiting room logs for 15 days during which the prison was under lockdown in April, May, and July of 1985. We also examined family visiting calendars for April, May, June, and half of July 1985. To determine if the Custody Division denies entry to visitors only for reasons specified in the California Administrative Code, we examined files from the visitor processing office for a sample of ten inmates who received visitors in April 1985; 189 visitors had filed applications to visit these inmates. We also observed the Custody Division's processing of visitors and the operation of the daytime visiting room and the family visiting units.

Analysis

Title 15, Section 3170(b) of the California Administrative Code states that inmates have the right to personal visits while confined in correctional institutions and that the right to visit will not be denied except when necessary for the reasonable security of the institution and personal safety. In 1985, during legislative confirmation hearings for a former warden, witnesses alleged that the warden suspended visiting privileges during prison lockdown. Ordinarily, prisons do not suspend visiting privileges during lockdowns. Staff in the visitor processing office reported that on 50

days of lockdown between July 1, 1984, and November 30, 1984, the warden did prohibit all visitors, except attorneys, in the Level IV area of the institution.

The warden told us that it had been his practice to suspend visits during lockdown and that it was his prerogative to do so under emergency conditions. The California Administrative Code authorizes the warden to suspend temporarily any nonessential operation in order to prevent or control a widespread institutional disturbance. However, the warden informed us that before our audit, he changed this practice and no longer suspended visiting privileges during lockdowns. Since November 30, 1984, none of Folsom's wardens have suspended personal visits for lockdowns. During our audit we also observed that the visiting room and patio were continuously used by inmates and visitors.

Furthermore, the visitor processing office appears to deny entry to visitors only for those reasons stipulated in Sections 3170, 3173, 3177, and 3044 of Title 15 of the California Administrative Code. These reasons include falsifying information on the visitor application, not producing proof of identification on the day of the visit, requesting to visit an inmate at the same time that the inmate is scheduled to work, failing to successfully pass through a metal detector, and refusing to allow prison staff to conduct body searches for contraband.

The visitor processing office reports that it approved over 46,000 visitors and denied entry to 1,191 visitors (2.6 percent) during fiscal year 1984-85. We reviewed a sample of ten inmates who had visitors in April 1985; the Custody Division approved 177 (93.7 percent) of the 189 visitor applications for these ten inmates. It denied the remaining 12 visitor applications because applicants had falsified their arrest histories. Individuals whose applications are denied may usually reapply at a later date. The Custody Division also denied entry to 33 visitors on the days of their visits with the ten inmates in our sample for reasons specified in Title 15, Sections 3170, 3173, 3177, and 3044

of the California Administrative Code. For example, in four cases, visitors lacked photo identification.

Conclusion

Folsom no longer suspends visiting privileges during lockdown. In addition, the Custody Division appears to deny visitors only for those reasons specified in the California Administrative Code.

Item 5.4 The Mail Room Does Not Always Verify Confidential Mail

Folsom's mail room staff do not always ensure that inmates send confidential mail only to correspondents who qualify under the California Administrative Code. The mail room staff do not verify that all confidential mail is in fact confidential. As a result, information that can endanger staff or inmates can leave the prison undetected.

Audit Scope, Objectives, and Methods

To determine whether Folsom's mail room staff ensure that inmates send or receive confidential mail only to or from approved confidential correspondents, we examined a sample of 15 pieces of incoming confidential mail and 15 pieces of outgoing confidential mail on November 21, 1985. Confidential mail is sealed mail that inmates may send and receive; prison staff may inspect, but may not read, this mail. We verified the seal and the staff signature on the sealed flap of each envelope, and checked the validity of each confidential correspondent against criteria in the California Administrative Code. To determine whether the confidential correspondents identified as attorneys were in fact attorneys, we consulted the Parker Directory of California Attorneys and the State Bar Association. We did not observe delivery or collection of mail within the housing areas for inmates.

Analysis

Title 15, Section 3141 of the California Administrative Code defines correspondents to whom inmates may send confidential mail. Confidential correspondents include, for example, all state and federal judges and courts, attorneys at law listed with a state bar association, and elected government officials. Although all 15 of the incoming pieces of confidential mail we tested qualified for confidential status, one of the 15 (6.7 percent) outgoing pieces of confidential mail did not qualify. The addressee included the title "Esquire," which the mail clerk assumed to designate "attorney." On three previous occasions the same inmate also sent confidential mail to this unqualified correspondent who was actually a lobbyist.

Unqualified mail leaves the prison as confidential mail because the clerks who handle confidential mail do not always verify the qualifications of confidential correspondents. In the instance we found, the mail room clerks had already listed the addressee as a confidential correspondent on the record of mail that the mail room maintains for each inmate. However, when the inmate originally sent a letter to this addressee, the mail clerk did not verify that the addressee qualified for confidential status. Additionally, the mail clerk who processed the unqualified piece stated that she assumed that mail addressed "Esquire" qualified as attorney (confidential) mail, and because the addressee was already listed on the inmate's mail card, she did not independently verify the recipient's status as an attorney. However, mail room guidelines do not state whether the title of "Esquire" qualifies for confidential status. All confidential correspondents should be verified in any event.

Our review of the mail process also indicates that the mail clerks do not note on inmate mail records the source of verification for confidential correspondence. The mail sergeant told us that he does not review all incoming and outgoing confidential mail, and his staff do not have time to research the status of every correspondent labeled

as a confidential correspondent. The mail sergeant also told us that he does not periodically verify confidential mail that the mail room clerks have already checked.

When the mail room does not ensure that confidential mail is authorized, inmates receive mail privileges to which they are not entitled. As a result, because the law prohibits staff from reading confidential mail, disapproved information could leave the prison undetected in unauthorized confidential mail. According to Title 15, Section 3136 of the California Administrative Code, disapproved information includes, for example, threatened blackmail or extortion, plans to escape, or plans to breach the security of the prison. The release of such information could endanger inmates and prison employees.

Conclusion

Folsom's mail room does not always ensure that inmates send confidential mail only to qualified correspondents. As a result, information that endangers inmates and employees could leave the prison undetected.

Recommendation

Mail room clerks should verify the confidential status of each correspondent and note the source of the verification on the inmate's mail record the first time the correspondent's name appears. To clarify the status of the title "Esquire" and any other ambiguous designations, the mail room sergeant should revise the guidelines for verifying confidential mail and ensure that all staff understand the revised guidelines. The mail room sergeant should periodically verify outgoing and incoming confidential mail that mail clerks have already checked.

Item 5.5 **Delivery Records for Certified and Registered Mail Are Incomplete**

Folsom's mail room does not always ensure that correctional staff obtain inmate signatures for receipt of registered and certified mail or note the disposition of undelivered mail. As a result, the mail room cannot prove that all certified and registered mail it receives for inmates has been either delivered or returned. Therefore, inmates may not receive all certified and registered mail, mail may be lost, and Folsom can be subject to litigation.

Audit Scope, Objectives, and Methods

To determine whether all certified and registered mail was being delivered, we reviewed the mail room's logs for certified and registered mail for July through September 1985, looking for inmate signatures or staff annotations when there was no signature. To determine whether inmates who did not sign the log had received the mail listed in the logs or whether the mail had been returned, we contacted inmates directly and attempted to contact the senders.

Analysis

Folsom's Inmate Mail Regulations (Institution Procedure 3, Section A, Item 4) state that all certified and registered mail will be recorded in a ledger that the inmates must sign when the mail is delivered to them. The United States Postal Service requires recipients to sign for certified and registered mail. Likewise, Folsom's mail room procedures require correctional officers who distribute mail to obtain the inmates' signatures before delivering their certified or registered mail. Although 219 (97.3 percent) of the 225 log entries were correct, the remaining 6 (2.7 percent) of the certified/registered log entries did not have either a signature or a written explanation of why the officer was unable to obtain the signature and where the officer left the piece of mail. Two of the entries did not have signatures because

the inmate was transferred to another prison or paroled before the mail arrived at Folsom. Two of the remaining four inmates told us that they had received their certified/registered mail even though they had not signed the log, and two other inmates said that they did not receive their pieces of certified mail. We were unable to reach the senders to determine whether the undelivered mail had been returned to them.

The mail room staff cannot prove that certified and registered mail was delivered because they do not ensure that correctional officers responsible for delivering mail obtain signatures before distributing certified and registered mail to the inmates. In addition, the officers responsible for the logs do not always record in the logs when an inmate has been moved to another cell at Folsom. Finally, the mail room staff do not always indicate in the log whether the mail is forwarded to the inmate or returned to the sender.

The watch commander in charge during distribution of the mail stated that mail delivery is not consistently performed by any one employee but is assigned daily to available personnel. In addition, he stated that there has been a large turnover of staff, and that the mail room does not train the custody staff in the proper procedures. Finally, the Custody Division has not ensured that certified and registered mail is properly delivered and signed for by assigning the delivery of this mail to one individual. As a result of these conditions, inmates do not always receive their mail, and mail can be lost.

The mail room must respond to inmate appeals regarding lost mail. During August and September 1985, inmates filed 22 appeals against the mail room alleging that the mail room handled their mail improperly. When the mail room lacks written proof of the disposition of certified and registered mail, it cannot satisfactorily resolve appeals at lower levels and litigation against Folsom may result.

Corrective Action

On January 13, 1986, the lieutenant for mail and visiting issued a memo on the proper procedures to unit supervisors and staff who deliver mail. In addition, the lieutenant assigned unit supervisors the responsibility of ensuring that the mail logs are properly maintained.

Conclusion

The mail room does not always ensure that inmates sign for certified and registered mail or that staff note the final disposition of undelivered mail. As a result, the mail room cannot always prove that all certified and registered mail has been delivered or returned to the sender, mail could be lost, and Folsom can be subject to litigation.

Recommendation

The mail room should ensure that correctional officers responsible for delivering mail follow standard procedures for distributing certified and registered mail as outlined on the covers of the mail logs. The mail room sergeant should improve mail delivery procedures and instruct officers to note on the mail log when an inmate is no longer housed in the cell indicated on the letter. Additionally, mail room staff should note in the log books the disposition of undelivered certified and registered mail.

CHAPTER VI
FEEDING INMATES

Folsom needs to improve its control over stored and prepared food. The Food Services Department and the Custody Division do not adequately supervise inmate workers and diners. In addition, the Food Services Department does not always lock food storage areas when staff are not present, does not always provide updated written instructions to staff on the sizes of food portions the staff should prepare, and does not routinely count, measure, or weigh unprepared and prepared food. Furthermore, the Food Services Department does not provide adequate reports to management on excess food consumption. Finally, prison officials do not report and discipline violators of food control policies and regulations. As a result of not exercising these controls, Folsom must spend state funds to replace food supplies that are stolen and consumed in excess by inmates and staff. We estimate that Folsom spends at least \$129,000 annually to replace meat items that were stolen or improperly consumed. Although the Food Services Department does not maintain adequate control over food, it appears to store appropriate quantities of the food in the receiving warehouse and provide nutritionally adequate meals to inmates.

Background

The Folsom Food Services Department, within the Business Services Division, is headed by a food services manager. The food services manager, who reports to the associate warden for business services, is responsible for feeding inmates three meals a day that are nutritionally adequate, palatable, attractive, and produced under sanitary conditions at a reasonable cost.

To assist institutions in providing meals that are nutritionally adequate, the Department of Corrections has developed a food plan that specifies in pounds the types of food that each inmate should consume

each calendar quarter. The food plan also categorizes all food into 14 groups with the corresponding amount that each inmate should consume to provide adequate nutrition. The Department of Corrections developed the food plan using the daily nutritional requirements recommended by the Food and Nutrition Board of the National Academy of Sciences. A registered dietician has approved the food plan. The food plan provides an average of 3,740 calories a day, or 1,240 more than the 2,500 calories a day required by Title 15 of the California Administrative Code.

In its 1985 report, the Department of Corrections' management assessment team was critical of Folsom's schedule for feeding sack lunches under lockdown conditions, stating that the sack lunches did not provide inmates the required 2,500 calories per day. In addition, the management assessment team found that Folsom spent approximately one-third less than the Department of Corrections allocated to Folsom for feeding inmates in fiscal year 1984-85.

The food services manager is also responsible for safeguarding any food that is stored in the kitchen and the butcher shop until the kitchen has prepared the food and delivered it to the dining room for inmates to eat. Some food is initially stored in Folsom's receiving warehouse until requisitioned by the food services manager for delivery to the kitchen. The food services manager is also responsible for maintaining in storage sufficient quantities of various canned food items to serve eight meals to the inmate population in case of an emergency. The butcher, who reports to the food services manager, also receives and stores in the butcher shop meat, other perishable items, and items obtained from the federal Surplus Food Program.

The food services manager supervises 17 staff and approximately 120 inmate workers. The butcher supervises approximately 10 of those inmate workers. The Food Services Department prepares approximately 9,000 meals a day, seven days a week for inmates. During fiscal year 1984-85, the Food Services Department spent approximately \$2.5 million to feed the inmate population.

The Custody Division is responsible for safeguarding all food delivered to the food serving areas and for ensuring that all inmates receive only the authorized portions for the meal served.

Item 6.1 The Food Services Department Is Spending More on Food Than Necessary

The Food Services Department is spending a significantly greater amount of money on food than is necessary to feed inmates adequate meals. This excess consumption of food within the institution occurs because the Food Services Department and the Custody Division have deficient management practices for supervising inmate workers and inmate diners; for locking all food storage areas when staff are not present; for providing written instructions on portion sizes for all foods; for counting, measuring, or weighing unprepared and prepared food items; for compiling and providing periodic reports to management; and for reporting and disciplining all violators of specific food control regulations and policies. Consequently, prison staff are inappropriately eating food that should only be eaten by inmates, inmates are being served more food than prison policy allows, and inmates are stealing food.

To compensate for this excess consumption, the Food Services Department must order, prepare, and serve more food than otherwise would be required for inmates. In the three-month period that we examined, the butcher shop sent to the kitchen at least 22 percent more meat than the kitchen needed to feed inmates their appropriate portions. We estimate that this excess consumption of meat alone costs Folsom at least \$129,000 annually.

Audit Scope, Objectives, and Methods

To determine whether the Food Services Department maintains control over its food, we observed the food storage, food preparation, and food serving processes, including the activities of inmate workers and

supervisory staff. We also reviewed food usage records, including those for a sample of 15 meat items (beef, poultry and pork) that Folsom served during months of July, August, and September 1985.* For our sample, we compared the quantities of meat that the butcher shop reportedly sent to the kitchen, less 5 percent for waste, with the quantities of meat necessary to feed every inmate one standard portion of meat for each meal served during the quarter. In addition, we selected a sample of five food items stored in the butcher shop and compared the quantities in the butcher shop to the quantities recorded on the food services manager's food supply records. Also, to observe any unauthorized eating of food by inmates and staff, we made five unannounced visits to food storage and food serving areas and observed the activities of inmates and employees.

Analysis

State regulations, the Department of Corrections, and Folsom policies encourage the Food Services Department to operate efficiently and cost-effectively by restricting food usage. For example, three sections of Title 15 of the California Administrative Code restrict food usage as follows: Section 3053 prohibits inmates from stealing or removing food from food storage, preparation, and serving areas except as specifically authorized; Section 3006 prohibits inmates from possessing supplies, commodities, and substances in quantities greater than those allowed by prison policy (Folsom has interpreted this to include food items, and Folsom's policy restricts the food items that inmates can possess to their ration of fresh fruit from meals and snack

*The management assessment team criticized Folsom for paying less per day to feed inmates than any other Department of Corrections institution. We did not audit the accuracy of Folsom's or any other institution's reported food expenditures. Further, the average expenditure per day for food is not always an accurate measurement of effective food management because menus vary among institutions, the frequency of lockdowns varies among institutions and affects the cost of what is served, and institutions pay different prices for the same food items.

items from the canteen); Section 3407 prohibits prison employees from eating inmate food except as authorized. In addition, the Department of Corrections and Folsom policies limit inmates to one portion of a food item per meal. Folsom does not have sufficient controls in place to enforce the above regulations and policies and thereby ensure the efficient, cost-effective performance of its Food Services Department.

Supervising Inmate Workers and Diners

The Food Services Department staff and the Custody Division personnel do not sufficiently supervise the activities of inmate workers and diners. During our fieldwork in the Food Services Department, we observed that the butcher was not supervising inmate workers while those workers were butchering meat, working in and around the cold-storage lockers, and working in the storage area for food items obtained from the federal Surplus Food Program.* As a result, unsupervised inmate workers can steal and eat food with little risk of being caught. We also observed an unsupervised inmate worker who did not work in the butcher shop entering and leaving the butcher shop. The food services manager told us that this individual has been caught with stolen food items in his possession before.

The butcher stated that he leaves inmate workers unsupervised because he must be in other areas of the butcher shop and he is the only staff person in the butcher shop other than a correctional officer. However, during our audit, we noted that the butcher was usually seated in the butcher shop office reading material unrelated to his job or visiting with the correctional officer rather than supervising the inmate workers in the butcher shop.

*Although the butcher was responsible for supervising the storage of the federal surplus food stores, such responsibility is not consistent with the duties of a butcher as noted in our discussion in Item 13.2.

While conducting our audit work in the dining areas, we observed that neither Food Services Department staff nor Custody Division staff appeared to be supervising inmate serving lines. As a result, inmate diners were being served more than one portion of some food items and some inmate workers were eating meals both when the inmate workers were being served and again when the nonworker inmates were being served. We attempted to determine why staff did not control the food serving lines, but Food Services Department staff and Custody Division staff gave conflicting statements about who was responsible for controlling food on the serving lines. We discussed this problem with the associate warden for custody. He agreed that there had been some confusion but said that he had taken action to emphasize that the Custody Division is responsible for the food serving lines.

Locking Food Storage Areas When Staff Are Not Present

Food Services Department staff do not keep food storage areas locked when staff are not present and thus cannot ensure that inmate workers do not steal or eat food to which they are not entitled. During our audit work in the Food Services Department, we observed that inmate butchers not only worked in and around unlocked food storage areas while the butcher was in his office but that they also entered the office and requested and received food storage keys from him. They then proceeded unsupervised to the food storage areas. This practice defeats the purpose of locking the food storage facilities.

Providing Written Instructions on Portion Sizes for All Food

The Food Services Department does not always provide updated written instructions to staff on the sizes of food portions they are to prepare. In addition to being necessary to ensure that meals prepared and served are nutritionally adequate, this control is necessary to ensure that excessive overconsumption does not occur.

Although the Food Services Department has a chart that stipulates portion sizes for meats and a listing of other authorized food portion sizes, the food services manager has not always kept these documents updated. As a result, we noted that staff gave conflicting statements on the authorized portion sizes of certain cuts of meats. In analyzing the consumption of meat items served over a three-month period, we used the meat chart's four-ounce portion size for chicken-fried steak, a highly desirable meat item. At one time, the food services manager had told us to base our analysis on the meat chart's portion sizes. Later, however, the butcher and the food services manager stated that they were cutting the steaks into five-ounce portions. After we presented our analysis of meat overconsumption to the staff of the Business Services Division, the food services manager stated that the former associate warden for business services had verbally told him to increase the weight of certain meat items and that he had verbally told the butcher to increase the size of the chicken-fried steaks to six-and-one-half ounces. Despite their awareness that we were including chicken-fried steak in our sample, neither the butcher nor the food services manager brought this change to our attention before we began our analysis. When Folsom does not specify a food policy in writing, butchers and staff can make conflicting interpretations of the policy, resulting in cuts of meat that are either too large, thus costing the State more money, or too small, thereby depriving the inmates of their authorized portions of food.

Counting, Measuring, or Weighing Unprepared and Prepared Food

The Food Services Department does not routinely count, measure, or weigh unprepared and prepared food to ensure that inmate workers, inmate diners, and staff do not steal or eat excessive portions of food.

Although the butcher shop weighs all meat delivered by vendors to ensure that the weights agree with invoices, the kitchen does not weigh, or measure in some other way, the meat that the butcher shop

delivers to the kitchen to verify the amount that the butcher shop reports as having been delivered. Verifying deliveries is important because the butcher shop and the kitchen are far enough apart to require the use of a delivery truck, and numerous personnel have access to the meat during the delivery process. Further, once the kitchen has prepared the meat to be served, the kitchen staff do not account for the meat items that they deliver to serving areas. Serving areas include the dining rooms, the security housing units, and the infirmary. In addition, the Custody Division does not count the number of meals and inmates that are served. As a result of these deficiencies in accounting for meat items, there is no assurance that inmates and staff are not taking or eating meat during preparation, delivery, and service.

The kitchen has no scale that is capable of weighing the bulk meat being delivered from the butcher shop. It does have small portion scales to ensure that the inmate butchers are not cutting excessively large portions, but it does not use these scales. In addition, some Custody Division staff stated they were not responsible for controlling the number of meals or meal items that inmates receive in the serving line.

Compiling and Providing Periodic Reports to Management

The Food Services Department does not provide to the associate warden for business services, periodic food consumption reports that adequately detail excess consumption. The Food Services Department should prepare periodic reports that compare quantities of food purchased, delivered, and consumed with the quantities of food necessary to feed inmates. Such periodic reports can assist the associate warden in identifying potential overconsumption problems and taking corrective action.

During our discussion of the results of our meat overconsumption analysis with Business Services Division staff, the associate warden

for business services stated that he was not aware of the extent of the overconsumption of meat. Accurate food consumption reports would bring such overconsumption to his attention.

Reporting and Disciplining Violators of Food Control Policies and Regulations

Food Services Department and Custody Division staff do not report and discipline violators of food control policies and regulations. Consequently, inmates and staff are not deterred from taking and eating food to which they are not entitled.

During our review of the butcher shop, we noted that the butcher allows inmate workers to eat some food items stored in the butcher shop. This food is in addition to the authorized food served to all inmates during scheduled meals, and it includes such items as federal surplus cheese, butter, peanuts, and raisins as well as hot dogs purchased by Folsom.

The butcher stated that he allows inmate workers to eat food stored in the butcher shop in an attempt to reduce pilferage of other, more expensive food items. In addition to encouraging an improper practice, the butcher's practice may not be working as anticipated. We observed specific instances in which inmates pilfered meat items during our review. Food Services Department staff and correctional officers also related instances of attempted thefts of food during the period of our review.

During three of our five unannounced visits to Folsom's food storage and food serving areas, we observed at least one unauthorized prison employee eating food that the Food Services Department had prepared or stored for inmates. On one occasion, the food services manager accompanied us to a food serving area and also observed an unauthorized employee eating inmate food. On this same occasion, Custody Division staff were also present in the food serving area. However, the food services manager did not reprimand or take other disciplinary action

against the individual. Furthermore, the food services manager stated that Food Services Department staff and inmates confidentially complain to him that unauthorized Custody Division staff eat food intended for the inmates. When prison staff eat food intended for inmates, the prison must spend additional state funds to replenish food supplies. In addition, kitchen staff must prepare additional food to ensure that all inmates receive a meal.

In our opinion, employees eat inmates' food because employees know it is unlikely that anyone will either observe them eating food or reprimand them if they are caught. The associate warden for business services and the business manager stated that they attempt to make unannounced visits to the food preparation and serving areas. However, they stated that making unannounced visits is difficult because custody staff know they are coming because of the Custody Division's security and communications systems, which monitor all people entering the various prison gates and buildings. The food services manager further stated that even if he did observe unauthorized employees eating inmates' food, he is not responsible for reporting the employees unless they are Food Services Department employees. However, the business manager and the associate warden for business services stated that all management employees, including the food services manager, are responsible for reporting or taking appropriate action against all unauthorized employees eating food intended for inmates.

Although we could not quantify the extent that each type of control deficiency contributes to the overconsumption of food, our review of a sample of 15 meat items determined that, in total, the excess consumption is substantial. Using portion sizes from the Food Services Department's meat chart, we compared the quantity of meat necessary to feed one complete meal to each inmate diner with the quantity that the butcher shop's records indicated was sent to the kitchen in the first quarter of fiscal year 1985-86. We noted an overall difference of approximately 27 percent. While overconsumption was as low as 3.25 percent for some meat items, it was as high as 86.42 percent for

more desirable meat items such as steaks. After making a 5 percent allowance for wasted food due to such things as cooking mistakes, we calculated the cost of the excess consumption for our sample to be approximately \$29,000. If the overconsumption rate for each sampled meat item during our sample quarter is representative of the overconsumption rate in other quarters, overconsumption of these meat items costs the State an estimated \$129,000 annually.

Our interviews with Folsom staff and our review of food records corroborate our conclusions about overconsumption. To compensate for the deficiencies in servings to inmates caused by pilferage and excess consumption, the food services manager stated that he instructs the butcher to deliver 10 percent more meat than necessary to feed inmates their allotted quantities. However, the butcher stated that he actually delivers up to 400 extra portions (an excess of approximately 13 percent) to the kitchen to ensure that there is enough meat to feed all inmates. Further, although we did not audit their accuracy, records in the Food Services Department indicated substantial overconsumption of meat for each of the two quarters before our sample quarter.

Corrective Action

To correct, in part, the lack of control over food items stored in the butcher shop, the food services manager transferred responsibility for the federal surplus food items stored in the butcher shop to a supervising cook with strict requirements that the supervising cook secure the storage area whenever he is not present. Further, the Food Services Department has ordered six additional portion scales to monitor portion sizes throughout the food preparation process.

Conclusion

Folsom's Food Services Department and the Custody Division do not exercise the controls necessary to prevent the theft and excess

consumption of food items. As a result, unauthorized inmate workers and prison staff eat food obtained for inmates. In addition, inmate diners eat more than their authorized portions. Accordingly, Folsom must spend additional state funds to replenish food, and Food Services Department staff must work to prepare additional meals to feed all inmates.

Recommendation

The Food Services Department should develop better controls over food. The Food Services Department should ensure that all employees, including the butcher, appropriately supervise inmate workers whenever inmates are working with food. The Food Services Department should also keep all food storage areas locked unless staff are present, and the food services manager should provide written instructions on portion sizes for all food items. Further, the Food Services Department and the Custody Division should ensure that inmates receive only authorized portions and that all inmates (including inmate workers) receive only one serving per meal. In addition, the Food Services Department should routinely count, measure, or weigh unprepared and prepared food at important points in the food storage, preparation, and serving process. The Food Services Department should use scales and mechanical counters where appropriate. The food services manager should regularly reconcile the meals served to meat portions consumed and report at least monthly to the associate warden for business services on excess consumption and food waste.

The butcher should not allow inmates to take or consume food stored in the butcher shop. Also, the associate warden for business services should reiterate to Folsom staff the rules and regulations prohibiting employees from eating inmates' food. In addition, the associate warden for business services, the business manager, and the food services manager should make periodic, unannounced visits to check for employees who violate regulations prohibiting the consumption of inmates' food and notify employees of the specific disciplinary action that will be taken against violators.

Item 6.2 The Food Services Department Appears To Store Appropriate Quantities of Food in the Receiving Warehouse

Folsom's Food Services Department (department) appears to meet general state criteria for storing the appropriate quantities of food.

Audit Scope, Objectives, and Methods

To determine whether the department stores appropriate quantities of food, we selected ten frequently used food items that the department stored in the receiving warehouse and estimated how long the department stored the food. To estimate storage time, we divided the average quantities of food in storage by the rate at which the department normally uses the food. We then compared the estimated time that the department stored the items with the estimated shelf-life as specified in the the Department of General Services' Statewide Materials Management Training Handbook. Also, we counted the quantities of those ten items that the department actually stored in the receiving warehouse to confirm the accuracy of the department's food supply records.

Analysis

The Statewide Materials Management Training Handbook states that, in storing food, an agency should not store quantities so large that it needlessly ties up state funds or so small that it runs out of supplies and has to buy food on an emergency basis at usually higher prices. Furthermore, the handbook states that an agency should not keep food supplies longer than the specified shelf-life before using them.

The Food Services Department did not keep any of the ten food items in storage longer than the shelf-life indicated in the handbook. Also, the department did not store any of the items longer than three to six months, which is the amount of time that the food services manager must

have to order food supplies in advance. Furthermore, the department's food records indicated that during fiscal year 1984-85, the department did not run out of any of the ten food items.

Conclusion

The Food Services Department maintains food supply levels that are neither so high that food spoils and state funds are needlessly tied up nor so low that Folsom runs short of any food. The Food Services Department's food supply levels appear to meet the general criteria contained in the Department of General Services' Statewide Materials Management Training Handbook.

Item 6.3 **The Food Services Department Appears To Provide Nutritious Meals to Inmates**

Folsom's Food Services Department appears to provide inmates with meals that meet the nutritional requirements of state regulations and the Food and Nutrition Board of the National Academy of Sciences.

Audit Scope, Objectives, and Methods

To determine whether the Food Services Department provides inmates meals that are nutritionally adequate, we asked a dietitian from the State Department of Education to analyze Folsom's menus. The dietitian who performed the analyses is registered with the American Dietetic Association. The dietitian analyzed menus served from July 29, 1985, through August 4, 1985, when the Food Services Department served inmates only two sack lunches each day (sack lunch menus), and menus served from July 1, 1985, through July 7, 1985, when the Food Services Department served inmates two hot meals and a sack lunch each day (hot meal menus). A sack lunch generally consisted of two sandwiches, one piece of fresh fruit, one cookie, and a beverage.

The dietitian used a computer program to analyze the menus for levels of vitamin A, vitamin C, and iron, for percentage of fat per meal, and for calories per day. To verify that the menus that Folsom publishes accurately reflect the meals that the Food Services Department serves to inmates, we observed eight meals that the Food Services Department actually served to inmates. To determine if the Food Services Department serves hot meals under lockdown conditions, we reviewed the food services records for the period from July 11, 1985, through September 30, 1985, when Folsom was under lockdown conditions.

Analysis

Warden's Directive 402 states that it is Folsom's policy to provide inmates a complete food service that includes nutritionally adequate meals. The California Administrative Code, Title 15, Chapter 4, Section 3331, sets the daily calorie requirement for inmates at approximately 2,500. In its report issued in August 1985, the Department of Corrections' management assessment team stated that, for the two-week period of July 10, 1985, through July 25, 1985, when Folsom was under lockdown conditions and serving inmates only two sack lunches each day, the sack lunch menu provided the inmates less than the required 2,500 calories a day. However, the dietitian from the State Department of Education reported that the sack lunch menus provided inmates an average of 2,882 calories a day, exceeding the regulatory requirement by 382 calories (15 percent). In addition, the dietitian reported that the hot meal menus, consisting of two hot meals and one sack lunch per day, provided inmates an average of 3,562 calories a day, exceeding the requirements by 1,062 calories (42 percent).

In its Recommended Daily Dietary Allowances (RDA), 1980, the National Academy of Sciences' Food and Nutrition Board sets minimum daily requirements for vitamin A at 5,000 International Units. According to the dietitian, vitamin A in the sack lunch menus averaged 4,060 units a day, 940 units (19 percent) less than the RDA requirement. Vitamin A

in the hot meal menus averaged 8,878 units, exceeding the RDA requirement by 3,878 units (78 percent). The RDA requirement for vitamin C is 60 milligrams (mg) a day. The dietitian reported that the sack lunch menus contained 74.5 mg of vitamin C and the hot meal menus contained 98.4 mg of vitamin C. These amounts exceeded the daily requirements of vitamin C by 14.5 mg (24 percent) and 38.4 mg (64 percent) respectively. Finally, the sack lunch menus contained 16.5 mg of iron, exceeding the 10 mg RDA requirements by 6.5 mg (65 percent); the hot meal menus contained 21.4 mg and exceeded daily iron requirement by 11.4 mg (114 percent).

According to the National Academy of Sciences, the percent of fat per meal should not exceed 30 percent. The dietitian found that the percent of fat per meal in Folsom's sack lunch menus averaged 46 percent, exceeding the suggested amount by 16 percent. In addition, the fat content of the hot meal menu averaged 41 percent, 11 percent more than the recommended percent of fat per meal.

The dietitian stated that a prolonged diet consisting of only sack lunches served over several months at a time could lead to nutritional deficiencies in the inmates. However, during the lockdown period we reviewed, the Food Services Department served inmates a hot meal an average of every three to four days. In its report, the Department of Corrections' management assessment team stated that, as of August 1985, the majority of inmates received hot meals every day and the remaining inmates received hot meals every other day.

Conclusion

Folsom's Food Services Department appears to provide nutritious meals to inmates. The hot meal menu, served over an extended period, appears to be nutritionally adequate. The sack lunch menu, supplemented with hot meals, also appears to provide adequate nutrition to inmates.

CHAPTER VII
PROCURING GOODS AND SERVICES

The procurement office does not always comply with state guidelines for contracting and procurement or with the intent of the Small Business Procurement and Contract Act. The procurement office approved purchases for which Folsom's garage did not seek competitive price quotations, approved the purchase at retail prices of items that were available for less money on state contracts, did not advertise all contracts, and did not always secure the required number of price quotations. Furthermore, Folsom has insufficient procedures by which to control service and repair orders. The procurement office did not obtain competitive estimates, certifications of emergency conditions, or justifications for lack of competition for a number of these orders. Consequently, the procurement office unfairly limited the number of vendors having an opportunity to do business with the prison, paid more for the supplies or services than it should have, and placed its purchasing authority in jeopardy.

The procurement office approved purchase requests that were not authorized by division heads. Furthermore, the procurement office did not prepare and file accurate evaluations of contractors' performance with the Department of General Services' Office of Legal Services, thereby diminishing the usefulness of this information to other state agencies seeking information on potential contractors.

Finally, personnel initiating purchases at Folsom's department level do not always attempt to include state-certified small businesses when they identify vendors to purchase from. The procurement office does not verify that vendors who claim small business status are certified by the State. Consequently, state-certified small businesses may not be getting their fair share of the State's business as required by state law.

Background

The Folsom procurement office is responsible for purchasing materials, supplies, and equipment, and for preparing all contracts for services. The procurement officer reports to the business manager who, in turn, reports to the associate warden for business services. The procurement officer supervises 18 staff.

The Government Code Section 14792 provides that purchases of supplies or equipment totaling more than \$100 must be made by or under the supervision of the Department of General Services. The Department of General Services' Office of Procurement delegates to Folsom's procurement office authority to purchase directly from vendors subject to specific conditions. For example, the conditions require the use of competitive bidding procedures and the establishment of a goal of placing 25 percent of the dollar value of Folsom's delegated purchases with small businesses.

Folsom's procurement process imposes specific requirements on the division requesting the purchase, the procurement office, and the accounting office. The division requesting a purchase identifies and selects vendors, obtains price quotes from at least three vendors, and submits a purchase request to the procurement office for approval. The procurement office receives the purchase request, occasionally reviews the request for compliance with purchasing requirements, and determines the method of procurement. The procurement office prepares the appropriate purchasing order or document, depending on the type of purchase, and routes the purchase order to the accounting office. The accounting office reviews the purchase order, sets aside funds for the expense, and certifies to the procurement officer that funds are available to pay for the purchase. The procurement officer is responsible for certifying that purchases are in accordance with the procedures prescribed by law and that all legal requirements are fully complied with.

The various methods of procurement include cash vouchers, contract/delegation orders, purchase estimates, service and repair orders, and contracts. The procurement office issues cash vouchers for cash purchases that are authorized by department heads and cost less than \$25. Forms called contract/delegation orders are prepared for purchases totaling \$850 or less when the purchase will be made by Folsom's procurement office under the delegation of authority from the Department of General Services' Office of Procurement. Contract/delegation orders also are prepared for purchases of items through state contracts between vendors and the Department of General Services. Purchase estimates are prepared and submitted to the Department of General Services' Office of Procurement for purchases over \$850 when this unit makes the purchase for Folsom. According to the procurement officer, service and repair orders are prepared for emergency services or repairs costing less than \$3,000. In fiscal year 1984-85, the procurement office processed approximately 100 cash vouchers, 2,800 contract/delegation orders, 500 purchase estimates, 253 service and repair orders, and 50 contracts.

When Folsom's divisions need to contract for services, the procurement office advertises the contract requirements, accepts contract bids, and awards the contract. Once the procurement office awards the contract, it is sent to the associate warden for business services for final approval. Contracts that total over \$10,000 and specific types of contracts, like hazardous service contracts that require approval according to state guidelines, must be approved by the Department of General Services' Office of Legal Services.

Item 7.1 **The Procurement Office Does Not Comply With State Purchasing Guidelines**

Folsom's procurement office has not complied with state guidelines in approving purchases. The procurement office has allowed Folsom's garage to make purchases without obtaining more than one price quotation, and the procurement office has approved purchases that the

garage made from local vendors even though the items that the garage purchased were available through state contracts. As a result, Folsom is unfairly limiting the opportunities for some vendors to do business with the prison, and it pays more for supplies than necessary. In addition, in violation of Department of General Services requirements, the procurement office allowed the garage to establish credit accounts with local vendors, but it did not carefully review the garage's purchases. As a result, the Department of General Services could revoke its delegation of purchasing authority to Folsom.

Audit Scope, Objectives, and Methods

To determine whether the procurement office is exercising proper control over purchases, we initially reviewed a random sample of 20 delegated purchase orders that the procurement office approved in fiscal year 1984-85. For 6 of these purchases, state policy required Folsom to seek competitive price quotations. However, the procurement office did not require quotations for one of the 6 purchases. Because the garage was the entity responsible for the one deviation from policy, we expanded our audit testing to include all 92 of the contract/delegation orders (each totaling over \$100) that the equipment maintenance supervisor initiated in purchasing automotive maintenance and repair supplies in fiscal year 1984-85. To determine whether purchases that are processed as emergencies are bona fide emergencies, we compared the reasons for the purchases to the procurement office's criteria for emergency situations. To determine whether the garage pays more than necessary for automotive supplies, we compared the prices that the garage paid for a sample of nine automotive supplies with the prices that other local vendors charged for the same nine items and with the prices of two of the nine items that were available through state contracts. We also interviewed garage staff.

Analysis

In delegating to Folsom the authority to purchase goods, the Department of General Services requires Folsom to seek a minimum of two price quotations for all purchases that exceed \$500 and recommends that the prison seek price quotations for purchases of "highly competitive" items totaling less than \$500. We considered "highly competitive" items to be those items that are available from several sources at competitive prices. Folsom is not allowed to use its delegated purchasing authority to purchase any items that are also available through state contracts between vendors and the Department of General Services. Because the procurement officer is responsible for approving all purchases, he should carefully review each purchase document to make sure it complies with the provisions of the State Administrative Manual and the Department of General Services' delegation of purchasing authority.

Of the 92 purchase orders we examined, 17 were exempt from competitive bidding requirements because they were either emergency purchases or purchases made through state contracts. The equipment maintenance supervisor did not seek more than one price quotation for 71 (95 percent) of the remaining 75 purchases. Each of the 71 purchases included highly competitive items, such as hand cleaner, car wax, spark plugs, and fan belts, that the garage uses in the routine maintenance of vehicles. The equipment maintenance supervisor made purchases from four local vendors with whom the garage had established credit arrangements. The equipment maintenance supervisor orders parts using the established accounts when he needs the parts for repairs. The garage combines all the purchases it makes throughout the month onto one delegated purchase order for each of the credit accounts and submits these purchase orders to the procurement officer at the end of the month.

The procurement office allowed the garage to purchase parts on credit because the garage claimed they were needed for emergencies. The

equipment maintenance supervisor claimed that all of the automotive supply purchases, including those necessary for the routine maintenance of automobiles, were emergency purchases. State Administrative Manual Section 3511 describes an emergency as a condition that "is an immediate threat of substantial damage or injury to persons committed to the agency's care, to employees of the agency, to members of the general public, or to property for which the agency is responsible." At Folsom, the procurement officer considers the purchase of automotive parts or repairs to be an emergency when the vehicle needing repair is used to respond to emergency situations. However, instead of reviewing each emergency purchase to ensure that the claim of emergency is valid, the procurement officer relies on the equipment maintenance supervisor's judgement in determining what constitutes an emergency purchase.

Because he did not carefully review the delegated purchase orders, the procurement officer approved purchases that did not comply with state procurement requirements, and he failed to require the garage to comply with the procurement requirements. After reviewing a sample of 10 purchase orders that the garage processed as "emergency," the procurement officer agreed that the purchases were not bona fide emergencies. In addition, the procurement officer said he thought that when the inspector of automotive equipment, who is part of the Department of General Services' Office of Fleet Administration, approved automotive supply purchases, he was also certifying that the purchases were emergencies. However, the Office of Fleet Administration told us that the inspector's approval certifies only that the purchases are appropriate for the repair of the automobiles.

By not seeking price quotations from more than one vendor, Folsom unfairly limits the opportunities for other vendors to sell their merchandise to the prison. Furthermore, Folsom incurs unnecessarily high costs. For example, the 71 purchases for which Folsom did not seek alternative price quotations total almost \$24,000. Folsom paid over \$13,000 (51 percent) of this total to only one vendor. Moreover,

based on a price comparison of nine different items, we found that this vendor charged prices that, on the average, were approximately 18 percent higher than the prices charged by four other vendors we surveyed. This vendor was not a state-certified small business; two of the four other vendors were state-certified small businesses. As described in Item 7.5, Folsom is not making a fair share of its purchases from state-certified small businesses, as required by the Department of General Services' delegation of purchasing authority. Therefore, not only did Folsom pay higher prices unnecessarily, but it also failed to make purchases from small businesses when it had the opportunity. Because the procurement office is not complying with Department of General Services' requirements, the Department of General Services could revoke the delegation of purchasing authority.

The garage also purchased from local vendors items that were available through state contracts. Two of the nine items we used in our price comparison, a 12-volt automotive battery and spark plugs, were available for a lower cost through state contracts. For example, the garage paid \$55.52 for a battery that was available for \$37.87 through State Contract No. 1-85-61-01. Additionally, the garage paid \$1.51 each for "J-7 Champion" spark plugs when the identical spark plugs were available for \$.64 each through State Contract No. 1-85-29-01. Since the garage is responsible for maintaining 80 vehicles, the potential savings are significant. State Administrative Manual Section 3530 cautions that "officers and employees purchasing contract items at retail prices will be personally liable for the differences between the retail and contract price except in verified emergencies which must be fully explained on the invoice covering the emergency." The equipment maintenance supervisor did not explain, on any of the invoices, the circumstances that qualified the purchases as emergency purchases.

The equipment maintenance supervisor stated that he purchases from local vendors, rather than through state contracts, because the items available through the state contracts are of poor quality, because the stock numbers for ordering items often are incorrect, and because the

Department of General Services does not write the contracts clearly and he has a difficult time understanding the contract documents. Again, the procurement officer did not carefully review the delegated purchase orders, and he approved the purchase orders that did not comply with state procurement requirements.

Conclusion

The procurement office approved purchases of items for which the garage did not seek more than one price quotation. In addition, the procurement office approved purchases that the garage made from retail vendors when the items purchased were available through state contracts. As a result, Folsom is affording some vendors an unfair share of the prison's business, and it unnecessarily pays higher prices for supplies. Because the procurement office is not complying with Department of General Services' requirements, the Department of General Services could revoke its delegation of purchasing authority.

Recommendation

The equipment maintenance supervisor should seek price quotations in accordance with the Department of General Services' delegation of purchasing authority. In addition, the equipment maintenance supervisor should buy through state contracts items that are available through these contracts. The procurement officer should carefully review all purchases and approve only those purchases that comply with established state procurement requirements. Furthermore, the procurement officer should not rely on the equipment maintenance supervisor's judgment or the approval of the Office of Fleet Administration's inspector of automotive equipment as a certification that a purchase is an emergency purchase. Instead, the procurement officer should carefully review all delegated purchase orders and determine if the purchases qualify as emergency purchases according to the guidelines in the State Administrative Manual. Finally, the associate warden for business services or his authorized delegate

should certify that the emergency conditions require immediate procurement as authorized by the State Administrative Manual.

**Item 7.2 The Procurement Office Has Accepted Purchase Requests Not
Approved by Authorized Personnel**

The procurement office has accepted from various prison departments purchase requests that have not been signed by their appropriate division administrators, as required by a warden's directive. As a result of our audit, however, the warden found that it was impractical to expect division administrators to be able to approve all purchase requests. Consequently, the warden granted additional positions the authority to approve purchase requests.

Audit Scope, Objectives, and Methods

To determine whether the procurement office is following established procedures in the procurement of supplies, we reviewed the signatures on purchase requests for a random sample of 20 delegated purchase orders and 15 purchase estimates that the procurement office approved during fiscal year 1984-85. We then compared the signatures on these requests with the names of the division administrators.

Analysis

Warden's Directive 414, dated January 1985, requires that all requests for purchases be approved by division administrators. Of the 35 purchase requests we reviewed, the procurement office approved 21 (60 percent) even though the requests were not signed by the division administrators. The associate warden for business services said that division administrators do not have enough time to review and approve every purchase request. Furthermore, the procurement officer stated that the division administrators informally delegated the authority to approve purchase requests to members of their staff. The procurement officer said he did not enforce the requirements of the warden's

directive because he knew that the people who had signed the purchase requests were authorized to do so by the division administrators.

During our review, the warden amended Warden's Directive 414 to authorize certain staff positions, in addition to the division administrators, to approve purchase requests. The amended warden's directive also allows divisions to add or delete staff positions that are authorized to sign purchase requests. However, the division administrators must propose in writing any such changes to the Business Services Division for review and approval. This change increases the current number of individuals who are authorized to approve purchase requests to 21. Further, the individuals authorized to sign can change over time. However, the procurement office does not maintain a record of the names of the authorized staff and their respective signatures. The procurement officer said that he is familiar with all authorized signatures and therefore does not need a list. However, such a list would allow verification of questionable signatures in his absence. Without verifying that the purchase requests are approved by the division administrators or their authorized staff, the procurement office may make purchases, based on those requests, that are inappropriate and unnecessary.

Conclusion

During fiscal year 1984-85, the procurement office accepted from the various prison departments purchase requests not approved by the division administrators. At the time, this practice was contrary to prison policy. As a result of our audit, however, the warden has modified the policy to specify additional personnel who are authorized to sign purchase requests. Consequently, to verify that all purchase requests are authorized by the proper individuals, the procurement office needs to maintain a record of the names and signatures of these individuals.

Recommendation

The procurement office should maintain on file a list of all staff, and their respective signatures, who occupy the positions identified in Warden's Directive 414 as amended. The procurement office should refer to this list when necessary to verify that the signature on a purchase request is that of an authorized person.

Item 7.3 The Procurement Office Needs To Formalize Its Procedures for Ordering Services and Repairs

The procurement officer is approving orders for services and repairs worth thousands of dollars without following normal procurement procedures. Folsom has limited written policies and/or procedures for these service and repair orders. The procurement officer did not obtain competitive estimates, certifications of emergency conditions, or justification for lack of competition on those orders we analyzed. Consequently, the procurement office may have afforded one contractor an unfair advantage by not allowing other contractors to bid for the services and repairs, and, at the same time, may have paid unnecessarily high prices. In addition, the procurement officer entered into service agreements with two contractors who provided services that are of a hazardous nature without requiring evidence of insurance, thereby exposing the State to the potential of having to pay for damages caused by the contractors.

Audit Scope, Objectives, and Methods

To determine whether the Folsom procurement office is exercising proper control over procurement of services and repairs using service and repair orders (SROs), we reviewed five SROs, each totaling more than \$500, that the procurement office used to obtain services and repairs during fiscal year 1984-85.

Analysis

During fiscal year 1984-85, prison staff ordered and received from private vendors repair and maintenance services without obtaining either a purchase order or a written contract from the procurement officer. Instead, the procurement officer told us he usually authorized the procurement by telephone. We noted that almost always after the vendor provided the services and submitted an invoice, the procurement officer prepared and signed a form called a "special service and repair order." In fiscal year 1984-85, the procurement office issued 253 SROs ranging in price from \$6 to \$2,302. Folsom has, however, established few written policies covering SROs. Such policies should specify, for example, the types of procurements for which staff should use SROs, who is authorized to approve requests for services and repairs, and what procurement procedures prison staff are to follow.

State policies governing purchases and contracts normally specify that only authorized agency officials can request procurements, and they require state agencies to obtain at least three bids, estimates, or proposals for procurements exceeding \$500. If three prices cannot be secured, the requesting agency is to provide a written explanation. In addition, any vendors providing services of a hazardous nature must provide a certification of insurance. State policies normally allow an exemption from the foregoing requirements in emergency situations in which the service or purchase is needed immediately. However, in such situations, an official of the requesting agency must provide a signed statement that an emergency condition existed. Furthermore, according to Warden's Directive 407, whoever accepts repaired equipment from a vendor is required to sign all documents and forward the documents, along with an intraoffice requisition (Form 5) signed by the department administrator, to the procurement office. Whenever an agency is having a vehicle repaired by a private vendor and the cost of the repairs exceeds \$250, the repair must be approved by an inspector from the Department of General Services' Office of Fleet Administration. If agencies cannot have this repair work done by a vendor that the Office

of Fleet Administration has approved, the agency must obtain estimates from three different vendors. We reviewed a sample of five SROs that the procurement office issued in fiscal year 1984-85 for consistency with these normal procurement requirements.

Each of the five SROs we sampled exceeded \$500. None of the five SROs contained a signature by an official of the division requesting the service. Only one SRO was accompanied by a Form 5 as required by Warden's Directive 407. Without authorization from a responsible division official, the SRO process may be used to obtain inappropriate and unnecessary services and repairs.

Also, none of the five SROs we reviewed was competitively bid. Two of the five SROs were for repairs to prison vehicles. Both SROs had been approved by the Office of Fleet Administration, and neither was required to be competitively bid because the repair work was done by an approved vendor. Two of the remaining three SROs had the phrase "Per SAM 1212.6" typed on them. The procurement officer told us that he asks the person requesting the service or repairs if an emergency exists before he orally authorizes the SRO. The business manager said that, after the services or repairs are provided and the prison receives an invoice from the vendor, the procurement office marks "Per SAM 1212.6" on the SRO. The reference to the State Administrative Manual (SAM) Section 1212.6 is made by the procurement officer to indicate that the SRO was made in response to emergency conditions and is therefore exempt from competitive bidding requirements. SAM Section 1212.6 describes an emergency condition as one that threatens life or state property. However, the procurement office does not require the requesting division to certify that an emergency existed.

To better assure that an emergency condition actually existed, the procurement officer should require, from an official of the requesting division, a signed statement that certifies that the service or repair was necessary to prevent the loss of life or state property. We question, for example, whether a responsible official would have signed

such a statement for one of the SROs on which the procurement office had written "Per SAM 1212.6." This SRO covered the repair of photocopy machines. The procurement officer explained that the vendor had a service contract with the State and that the vendor required the machines to be in good condition before the vendor would service the copying machines under the terms of the State's service contract. This explanation was not evident on the SRO or the accompanying documents.

By not seeking competitive estimates, the procurement office affords some vendors an unfair advantage by not notifying other vendors of the possibility of bidding for the services and repairs. Also, Folsom may be incurring higher costs than it would incur through a competitive bidding process.

Two of the SROs in our sample covered services of a hazardous nature. The procurement officer used one SRO to obtain pest control service until the annual pest control contract was approved; the other SRO provided for the removal and replacement of a leaking steam pipe that was insulated with asbestos. The SAM recognizes both of these as services of a hazardous nature. The procurement officer said the pest control vendor included proof of insurance in the annual pest control contract that was pending approval by the Department of General Service's Office of Procurement. However, the procurement officer required neither of the two vendors to provide a certification of public liability insurance. By not requiring evidence of insurance, the procurement office exposes the State to potential liability for damages caused by the vendor.

Conclusion

The procurement office has not followed normal procurement practices in approving service and repair orders totaling more than \$500. The procurement officer did not obtain competitive estimates, certifications of emergency conditions, or explanations for lack of competition. Consequently, the procurement office may have afforded

some contractors an unfair advantage by not allowing other contractors to bid for the services and repairs, and Folsom may have paid unnecessarily high prices. Also, the procurement officer entered into service agreements with contractors who provided services that are of a hazardous nature without requiring evidence of insurance, thereby exposing the State to potential payment of damages for legal liabilities.

Recommendation

Folsom should develop more extensive written policies and procedures to govern the use of its service and repair orders. The policies should clarify when, and for what type of procurements, staff should use SROs rather than purchase orders or formal contracts, such as obtaining a one-time service not requiring the expenditure of more than \$3,000, when it is not practical to advertise in the State Contracts Register. The procedures should require competitive price estimates and specific justification if competitive estimates are not sought for services and repairs totaling more than \$500. For any services of a hazardous nature, the vendor must be required to provide evidence of public liability insurance. Furthermore, the guidelines should require a responsible employee who knows about the emergency situation, such as a department head or an associate warden, to certify in writing when emergency situations do not allow time for competitive estimates.

Item 7.4 **The Procurement Office Does Not Always Comply With State and Departmental Guidelines for Contracting for Services**

Folsom's procurement office did not advertise all contracts in the State Contracts Register, always secure the required number of bids, or properly complete contractor evaluation forms in accordance with the State Administrative Manual and the Department of Corrections' Business Administration Manual. As a result, the procurement office affords some vendors an unfair advantage by not notifying other vendors of the possibility of bidding for the services, and Folsom may be incurring

higher costs unnecessarily. Furthermore, unless the procurement office files with the Department of General Services' Office of Legal Services accurate evaluations of contractors' performance, the other state agencies using the files of contractor evaluations maintained by the Office of Legal Services do not have accurate information on which to make decisions regarding their use of those contractors.

Audit Scope, Objectives, and Methods

To determine whether Folsom complies with state guidelines for advertising and bidding contracts, we reviewed all 19 service contracts of less than \$3,000 that Folsom was solely responsible for negotiating, writing, and approving during fiscal year 1984-85. To determine whether Folsom complied with the contractor evaluation guidelines, we reviewed a random sample of 14 of the 44 contracts that ended during fiscal year 1984-85 for which Folsom was required to complete contractor evaluations.

Analysis

The State Administrative Manual (SAM) Section 1212.6 and the Department of Corrections' Business Administration Manual Section 3011 require Folsom to advertise in the State Contracts Register all contracts over \$500 prior to the beginning of the contract bidding process. SAM Section 1204 and Business Administration Manual Section 3003 require Folsom to attempt to obtain at least three bids for each contract, and SAM Section 1218 and Business Administration Manual Section 3010(h) require Folsom to evaluate the performance of all contractors within 30 days after the completion of the contracts. SAM Section 1218 also implies that Folsom must present to the Department of General Services' Office of Legal Services accurate information on the contractor evaluations because other state agencies use the Office of Legal Services' contractor evaluation files to make decisions regarding their use of contractors. Furthermore, Business Administration Manual Section 3010(h) requires accurate information because the Department of

Corrections uses its contractor evaluations to make decisions regarding future use of contractors.

The procurement office did not properly process 2 of the 19 contracts that were over \$500 but less than \$3,000. The procurement office did not advertise the two contracts in the California State Contracts Register, nor did it obtain price quotes from at least three contractors for each of the two contracts.

The staff person responsible for processing Folsom's contracts during fiscal year 1984-85 stated that he did not advertise the two contracts in the State Contracts Register because the vendors with whom he negotiated the contracts began providing services without written agreements. He further stated that he prepared the contracts only to establish contract files for the contractors and to ensure the contractors' satisfactory performance of services for which Folsom should have properly contracted. The business manager stated that he did not review the staff person's work prior to awarding a contract to ensure that the contract complied with all state contracting guidelines. Furthermore, during our audit, we observed that no one else in the Business Services Division reviewed the staff person's work prior to awarding a contract.

By not advertising in the State Contracts Register or seeking competitive bids, the procurement office unnecessarily limits the number of vendors having an opportunity to do business with the State. By not obtaining bids for contracts of more than \$500, Folsom may be incurring higher costs than it would through a competitive bidding process.

Also, for our random sample of 14 contracts, all of which ended on June 30, 1985, the procurement office did not complete the contractor evaluations for any of the contracts within the 30 days required by the SAM and the Business Administration Manual. Moreover, when the procurement office finally completed the 14 contractor evaluations, it

did so without obtaining all the necessary information to ensure that the evaluations reflected the contractors' actual performance. For example, the procurement officer completed and signed a contractor evaluation even though the Department of Corrections was still in the process of approving an amendment to the contract.

In completing the contractor evaluations, the procurement officer does not seek information from the various prison departments for which the contractors performed work. The procurement officer stated that he does not seek information from the various departments in completing the contractor evaluation forms because he does not have enough time to gather the necessary data from the various departments, complete the evaluation forms, and still submit the forms to the Office of Legal Services within the 30 days required by the SAM. Instead, the procurement officer assumes that, unless the departments complain to him about the contractors' work, the contractors must have satisfactorily completed the contracts.

Because the procurement officer completes contractor evaluations without ensuring that the evaluations reflect the contractors' actual performance, the information that Folsom provides to the Office of Legal Services and to the Department of Corrections may be inaccurate and could result in other state agencies' using the information and making incorrect conclusions about contractors' performance.

The procurement officer told us he will be implementing a procedure whereby all Folsom departments for which contracts were performed will be responsible for providing the necessary information that will allow the procurement officer to review, sign, and submit the completed forms to the Office of Legal Services and to the Department of Corrections within 30 days after each contract's completion.

Conclusion

The Folsom procurement office does not always comply with state contracting guidelines. As a result, Folsom affords some contractors an unfair advantage in bidding for services and may be incurring higher costs than it would through a more competitive bidding process. Furthermore, unless the procurement office submits to the Department of Corrections and to the Department of General Services' Office of Legal Services accurate evaluations of contractors' performance, the Department of Corrections and the other state agencies using the contractor evaluation files maintained by the Office of Legal Services cannot determine whether contractors actually performed services satisfactorily.

Recommendation

The Business Services Division should implement a system by which the business manager can review the contracts at various stages of the contracting process to verify that Folsom is complying with state contracting guidelines. The procurement office should ensure that all contracts for more than \$500 are advertised in the State Contracts Register and that the prison obtains at least three price quotes for all contracts advertised by Folsom.

Also, the procurement office should implement the procedure requiring the various Folsom departments for which contractors performed work to complete contractor evaluations near the contracts' ending dates. The procurement officer should show the departments how to accurately complete the forms. The procedure should also allow the procurement officer sufficient time to review, sign, and submit the completed forms to the Department of Corrections and the Department of General Services' Office of Legal Services within 30 days after each contract's completion.

Item 7.5

The Procurement Office Does Not Make a Fair Share of Its Purchases From State-Certified Small Businesses

Folsom's procurement office does not make a fair share of its purchases from state-certified small businesses, as required by the Small Business Procurement and Contract Act. As a result, the procurement office does not provide small businesses an opportunity to benefit from Folsom's purchasing, and it pays high prices unnecessarily. The procurement office does not purchase from enough small businesses because it does not make sufficient effort to encourage Folsom's various departments to obtain price quotations from small businesses and because it inaccurately assumes that some of the local vendors with which it regularly deals are small businesses.

Audit Scope, Objectives, and Methods

To determine whether the procurement office routinely seeks small businesses from which it can purchase goods, we interviewed the procurement officer and various prison department staff who are responsible for initiating purchases. To determine whether the procurement office could purchase items from state-certified small businesses, we contacted two local vendors that are approved by the State as small businesses. To determine whether the procurement office complies with the Small Business Procurement and Contract Act, we reviewed the Department of General Services' summary of Folsom's delegated purchases for the last half of fiscal year 1984-85. In addition, we reviewed the small business monitoring report that Folsom submitted to the Department of Corrections for the fourth quarter of fiscal year 1984-85.

Analysis

The Small Business Procurement and Contract Act, Government Code Section 14835, requires that agencies make a fair share of their total purchases from small businesses. The State Administrative Manual

Section 1204.1 lists the criteria a business must meet to qualify as a small business and further requires that a business apply to and be certified by the Department of General Services to qualify as a small business. The Department of General Services, in delegating to Folsom the authority to make purchases between \$100 and \$850 during fiscal year 1984-85, defined a "fair share" as 25 percent of Folsom's total delegated purchases. The Department of General Services has not defined "fair share" for purchases under \$100.

According to the Department of General Services' summary of Folsom's delegated purchases for the last half of fiscal year 1984-85, Folsom made only 12 percent of its delegated purchases with certified small businesses. This percentage is less than one-half the required 25 percent. In addition, during the fourth quarter of fiscal year 1984-85, Folsom made 7.1 percent of its purchases of less than \$100 with certified small businesses.

The procurement office does not encourage the various prison departments to obtain price quotations from state-certified small businesses when the departments are initiating purchases. To assist state agencies in making a fair share of their purchases with small businesses, the Department of General Services has developed a list of vendors, certified by the State as small businesses, that agencies can use in selecting small businesses from which to purchase goods. The list identifies the vendors' names, specialties, telephone numbers, and addresses. However, the procurement office has not issued the list to all departments. Furthermore, the procurement office has not provided any training or guidance to the departments encouraging them to solicit price quotations from small businesses.

In addition, the procurement officer told us that he assumes that the local vendors from which Folsom's departments frequently make purchases could be small businesses certified by the State if those businesses applied to the State to be certified. The procurement office records these local vendors as small businesses in the small business

monitoring report it submits to the Department of Corrections and in the report of delegated purchase orders that it submits to the Department of General Services. However, 32 (73 percent) of the 44 vendors that the procurement office identified as small businesses in its small business monitoring report for the fourth quarter of fiscal year 1984-85 were not certified by the State as small businesses. Similarly, although the procurement office reported in its small business monitoring report that it had made 24.3 percent of its purchases of goods from small businesses, it actually had made only 7.1 percent of its purchases of goods with certified small businesses.

As a result of not making a fair share of its purchases from small businesses, the procurement office is not providing state-certified small businesses the opportunity to benefit from Folsom's purchasing, even though the small businesses could provide to Folsom the same merchandise as other businesses. In addition, some small businesses offer the same merchandise for less money. For example, as described in Item 7.1 of this report, the procurement office purchased a majority of its automotive maintenance supplies from a particular vendor during fiscal year 1984-85. However, based on a price comparison of nine different items, we found that the procurement office could have purchased supplies from either of two state-certified small businesses for less money.

Conclusion

The procurement office does not make a fair share of its purchases from small businesses and thus does not comply with the Small Business Procurement and Contract Act. As a result, it does not provide small businesses the opportunity to benefit from Folsom's purchasing, and it pays high prices unnecessarily.

Recommendation

The procurement office should issue, to all prison departments initiating purchases, the Department of General Services' list of state-certified small businesses and should provide training and guidance to the departments, encouraging them to solicit price quotations from small businesses. The procurement office should also develop policies and procedures for screening vendors to ensure that all vendors that Folsom claims as small businesses are, in fact, state-certified small businesses. Furthermore, the procurement office should encourage local vendors to apply to be certified by the State as small businesses.

CHAPTER VIII
MANAGING HOUSES RENTED BY EMPLOYEES

The Department of Corrections charges rents ranging from \$102.50 to \$129.50 per month for state-owned houses at Folsom. These rental rates do not appear to comply with state law, which requires that rental rates for state-owned houses reflect the fair and reasonable value of the housing in order to maintain equality between state employees who rent state-owned housing and individuals who rent privately owned housing. The State could have increased rental revenues from state-owned housing at Folsom by as much as \$46,776 during fiscal year 1984-85 if it had increased rental rates to the level the warden recommended in 1982, as adjusted for current utility costs.

In addition, the warden, who is responsible for assigning state-owned rental houses to employees, does not have a clear policy or a standard process to do so. Although the warden's office identified "recruitment" and "institutional need" as the primary basis for assigning houses, the warden has not defined these terms or identified the job classes or types of employees that should occupy the state-owned houses. Furthermore, the warden lacks documentation that he consistently applies a policy of assigning rental houses to meet the needs of the institution and that he assigns houses only to appropriate personnel. Finally, the office of the associate warden for business services occasionally charges incorrect rental rates, and the accounting office does not collect cash rent payments promptly. For example, one tenant did not pay rent for almost three years, and he owed a total of \$3,867.50 by June 1985.

Background

There are 45 state-owned houses outside the walls of the main facility at Folsom. The houses range in size from approximately 900 square feet to over 2,000 square feet, and they are all over 45 years old. Forty

of the houses are available for employees to rent; Folsom uses the other five houses as offices. In June 1985, 29 of the 40 rental houses were occupied.

The associate warden for business services is responsible for managing the 40 rental houses. At the request of the associate warden, the Plant Maintenance and Operations Department provides building repair and exterior painting for the houses. Under the direction of the Program Services Division, inmate work crews from Folsom Minimum collect trash and garbage and maintain the front yards.

The California Administrative Code gives the warden the responsibility to decide who may rent the houses. The warden's policy identifies "recruitment" and "institutional need" as the first priority for selecting the individuals to whom Folsom assigns its houses. Any houses not assigned for this priority are to be assigned to individuals with the most seniority (the length of time in state employment). In June 1985, 26 of the tenants worked at Folsom and three worked for the Department of Corrections at its central office in downtown Sacramento.

Tenants of state-owned houses at Folsom pay rent at the end of the month by payroll deduction. The office of the associate warden for business services notifies the personnel office of the amount to deduct, and the personnel office implements the deduction from the tenant's paycheck. If tenants are not on the Folsom payroll because they are on temporary leave without pay or because they work at the department's central office in downtown Sacramento, they must pay their rent in cash to the accounting office at the end of the month.

Item 8.1 **The Department of Corrections Needs To Increase Annual Rental Revenues at Folsom**

The Department of Corrections could have increased rental revenues from state-owned houses at Folsom by as much as \$46,776 during fiscal year 1984-85. The present rental rates do not appear to comply with state

law, which requires that rental rates for state-owned houses reflect the fair and reasonable value of the housing. The objective of this law is to maintain equality between state employees who rent state-owned housing and individuals who rent privately owned housing. The department has not attempted to increase rental rates at Folsom because it considers the rental rates to be a relatively unimportant item to negotiate with an employee union. During our audit, however, the department notified the union that it plans to increase the rental rates.

Audit Scope, Objectives, and Methods

To determine whether the rental rates for state-owned houses at Folsom are appropriate, we reviewed state laws, Department of Personnel Administration policies, and union contracts. To estimate the amount of additional revenue that the State would receive if the department raised rental and utility rates, we calculated the difference between the rental revenues that Folsom received during fiscal year 1984-85 and an estimate of annual rental revenues based on rates the warden recommended in 1982. We adjusted the rates the warden recommended to reflect current utility costs for similar housing in the Folsom area. To determine whether demand exists for the houses at higher rates, we surveyed a sample of 5 of the 29 tenants who currently rent houses at Folsom and 10 of the 26 employees who requested to rent a house that became available in March 1985. To determine whether equality exists between state employees renting state-owned houses and individuals renting privately owned housing, we compared rents for houses at Folsom to rents for unfurnished apartments and houses in the surrounding area that were advertised in the local newspaper.

Analysis

The Government Code Section 19822 specifies that the director of the Department of Personnel Administration is to determine the fair and reasonable value of housing furnished by the State to employees and

that this value is to constitute the charges imposed on state employees for the housing. The California Administrative Code, Title 2, Section 599.644, requires the Department of Personnel Administration to periodically review and adjust rates for state-owned houses to maintain the equality required by Government Code, Section 19822, between state employees renting state-owned houses and individuals renting similar privately owned houses. Further, the Budget Act of 1982 reduced appropriations to state agencies because the Legislature expected rents to increase on January 1, 1983, to reflect market values. In 1982, the Department of Personnel Administration directed the Department of Corrections to raise rental rates, and it proposed higher rates to the Department of Corrections. The contract between the State and the California Correctional Peace Officers Association, an employee union, requires the State to meet and confer with the union before the State can adjust rental rates. In 1983, the Department of Personnel Administration delegated to the Department of Corrections the authority to negotiate rent increases with representatives of the union.

Currently, the rental rates for the houses at Folsom are specified in accordance with the California Administrative Code, Title 2, Section 599.642, as follows: \$110.50 per month for 34 of the houses and \$102.50 to \$129.50 for the remaining 6. These rental rates include a charge of \$21.50 per month for utilities. These rates are substantially below those proposed by the Department of Personnel Administration in 1982. Further, the rates are below those proposed by the warden in a 1982 response to the Department of Personnel Administration. The warden's proposed rates, which we adjusted upward to reflect current utility costs, range from \$212.50 to \$332.95 per month, an increase of 107.3 percent to 157.1 percent. If the Department of Corrections had increased rents on July 1, 1984, to coincide with the the warden's proposed rates as adjusted, it would have increased rental revenues at Folsom by as much as \$46,776 during fiscal year 1984-85.

We asked 5 tenants who currently rent houses at Folsom and 10 employees who asked to rent a Folsom house that was vacant in March 1985 if they would be willing to pay the increased rate for their house. Two tenants said they were willing to pay the increased rental rate of \$234.50, one was willing to pay that amount if the increase were phased in over two years, and one was willing to pay the higher rate only if his house were renovated and maintained properly. The fifth tenant was unwilling to pay more than \$150 per month. Eight of the 10 employees who wanted to rent the vacant house said they would be willing to pay the proposed rate for the house. The remaining 2 employees said that they were unable or unwilling to pay over \$200 per month for rent at Folsom. Although our survey indicates that one in 5 tenants would leave if the Department of Corrections increased rents at Folsom, 12 of 15 tenants and bidders said they would accept the higher rental rates.

Folsom's current rental rates of \$102.50 to \$129.50 per month are significantly less than currently advertised monthly rents for unfurnished apartments and houses in the surrounding area, the lowest of which was \$295. Thus, equality does not appear to exist between state employees renting state-owned houses at Folsom and individuals renting privately owned housing in the surrounding area.

The Department of Corrections has not, in the past, requested the Department of Personnel Administration to approve an increase in rental rates. According to the deputy director for administrative services, the Department of Corrections considers the adjustment of rental rates as a relatively minor financial issue in negotiating the state contract with the union. However, on November 6, 1985, the Department of Corrections notified representatives of the union that it plans to increase the rate it charges to employees for the use of state-owned houses.

Until the Department of Corrections actually increases the rental rates at Folsom, the State will not collect the fair and reasonable value of the housing that Folsom administers. In addition, employees who rent

houses from Folsom realize financial advantages over other employees and individuals renting privately owned houses because rents at Folsom are lower than rents in the surrounding area.

Conclusion

The Department of Corrections could have increased rental revenues by as much as \$46,776 during fiscal year 1984-85 if it had raised rental rates for state-owned houses at Folsom on July 1, 1984, to the rates proposed by Folsom's warden as adjusted to reflect current average utility costs. Although tenant turnover would increase if the Department of Corrections raised rents at Folsom, there appears to be sufficient demand for the houses to ensure occupancy at the current level.

Recommendation

The Department of Corrections should increase rental rates of state-owned houses at Folsom as soon as possible to reflect market values. To do this, the Department of Corrections should meet and confer with the union regarding the method of determining the fair and reasonable value of the houses. The method should include a means of periodically adjusting the rates to reflect changes in fair market value. The Department of Corrections should then request that the Department of Personnel Administration approve the higher rental rates and amend the sections of the California Administrative Code that establish the rental rates for those houses.

Item 8.2 The Warden Needs To Clarify the Process for Assigning Rental Houses

The warden, who is responsible for assigning state-owned rental houses to Folsom or Department of Corrections employees, does not have a clear policy or a standard process for doing so. Although the warden's

office identified "recruitment" and "institutional need" as the primary basis for assigning houses, the warden has not defined these terms or identified the job classes or types of employees that should be occupying the state-owned houses. Without a clear policy, employees and the public may be more likely to question whether the warden's housing assignments are equitable and in the best interests of the State. Additionally, the office of the associate warden for business services does not retain a written record of all housing assignment decisions.

Audit Scope, Objectives, and Methods

To determine whether the warden has an effective means of assigning rental houses at Folsom, we reviewed the assignment of 29 of the 40 rental houses at Folsom that were occupied in June 1985. We also reviewed state and prison regulations concerning the assignment of state-owned houses and compared Folsom's system of assigning houses with the system at the Correctional Training Facility at Soledad.

Analysis

The California Administrative Code, Title 15, Sections 3420 and 3422, specifies that the warden is responsible for establishing a policy for employee housing. The Folsom warden's directive on employee services states that houses will be assigned first for reasons of "recruitment," "institutional need," or "convenience." Any houses not assigned for these reasons are assigned to individuals with the most seniority in state service. However, the directive does not define recruitment, institutional need, or convenience. Further, it does not establish a standard process for the Business Services Division to follow to select potential tenants, and it does not require the office of the associate warden for business services to make or retain a written record of the reason for each housing assignment decision.

The files of the Business Services Division did not contain a record of the assignment for 17 (59 percent) of the 29 occupied houses at Folsom we reviewed. Of the 12 housing assignment decisions we found recorded in the files, 2 appear to be for reasons of institutional need, and the 10 others were assigned on the basis of seniority. The former associate warden for business services told us that institutional need, individual hardship, and recruitment accounted for at least 14 of the 17 assignments for which there was no record. He could not recall the basis for the other 3.

Without a clear policy and standard process that Folsom's warden can communicate to his employees and the public, the warden, in our opinion, cannot fully justify why certain employees received housing while others did not. Also, without documentation of such decisions, he is ill-prepared to respond to allegations of impropriety.

By comparison, the Correctional Training Facility at Soledad has a standard process for assigning its houses. It uses a priority listing of the types of employees who should be given preference when houses are assigned. Applicants for houses must justify why the facility should assign them a house. This process also requires the correctional administrator for business services to retain a written record of the reason for each housing assignment decision.

Conclusion

The warden does not have a standard method for assigning rental houses at Folsom. Further, except for houses assigned on the basis of seniority, the Business Services Division does not retain a record of the reason for most housing assignment decisions. As a result, the prison administration cannot document that these houses are assigned according to institutional need or that the warden assigns houses only to the most appropriate personnel.

Recommendation

The warden should develop a standard process for assigning houses at Folsom by identifying job classes or types of employees that should have preference and by listing them in priority order. The warden should also require the associate warden for business services to retain written records of the basis for each house assignment.

Item 8.3 The Business Services Division Exercises Inadequate Control Over the Collection of Rents and the Assessment of Rental Rates on State-Owned Houses

The Business Services Division exercises inadequate control over the assessment of rental rates and the collection of rents. As a result, the division was overcharging one tenant and undercharging another. In addition, tenants were not paying their rent on time. We found one tenant who had not paid his rent in nearly three years and owed the State \$3,867.50.

Audit Scope, Objectives, and Methods

To determine whether the Business Services Division charges and collects the correct rental rates, we compared the rental rate for each house approved by the Board of Control to the rent charged and collected from each of the 38 tenants of state-owned houses at Folsom during fiscal year 1984-85. To determine whether the accounting office collects rental payments promptly, we examined rent payment records for the five tenants who, at some time during the year, did not pay their rent through payroll deduction.

Analysis

The Business Services Division's policy is to charge rents for each of the state-owned houses at Folsom according to a list of rental rates initially approved by the Board of Control. In May 1981, the

Department of Personnel Administration assumed responsibility for regulating state-owned housing. Most tenants pay rent at the end of the month by payroll deduction, and it is the policy of the division for tenants who are temporarily or permanently off the Folsom payroll to also pay their rent at the end of the month.

The Business Services Division sometimes does not charge the correct rental rates, collect rent from all tenants, or collect cash rents promptly. For example, the division has overcharged one tenant \$8 per month since occupancy and undercharged one tenant \$9 per month. In both cases, the office technician in the office of the associate warden for business services sent the wrong rental rate to the personnel office.

In addition to not assessing the correct rate, the Business Services Division has not collected rental payments promptly from three of the five tenants who did not pay rent by payroll deduction. One tenant did not pay rent for almost three years, and he owed a total of \$3,867.50 in rent by June 1985. In July 1982, when this tenant transferred from Folsom to the Prison Industry Authority, he continued living in the house, but the automatic deduction of rent from his pay ceased. The Business Services Division does not have any system to verify the continuation of appropriate deductions. In addition, we noted that the division has not established a formal procedure for the personnel office to notify the accounting office when tenants are taken off the payroll. Currently, the accounting technician must rely on verbal notification from the associate warden for business services to determine who should pay rent in cash each month.

Two other tenants were slow to pay their rents: one tenant paid his rent two weeks late or later for 10 months out of the year; the other paid his rent two weeks late or later for 11 months out of the year, and on two occasions, he paid his rent five weeks late. Late rent payments deny the State prompt access to revenues, and the State loses interest from deposits of rent or incurs increased interest expense due

to delayed deposits. These tenants may not have paid their rent on time because the division does not require tenants to sign a rental agreement that stipulates rental due dates, and it does not apply penalties for late payments.

Corrective Action

When we brought the incorrect assessments and the omission of payroll deductions to the attention of the then associate warden for business services, he authorized a refund for the overcharged tenant, collected all rent owed by the other two tenants, and directed the personnel office to correct the payroll deductions for the tenants. The associate warden did not correct the methods of charging or collecting rents. However, the new associate warden for business services is revising the system to assess and collect rents.

Conclusion

The Business Services Division exercises inadequate control over the assessment of rental rates and the collection of rents on state-owned houses at Folsom. As a result, it overcharged one tenant and undercharged another tenant, did not collect any rent from one tenant for almost three years, and allowed some tenants to consistently pay their rent late, thus depriving the State of prompt access to revenues.

Recommendation

In revising the system, the associate warden for business services should implement procedures to control the collection of rents and the assessment of rental rates on state-owned houses at Folsom. The Business Services Division should devise methods to ensure that it charges tenants the correct rate and that the accounting office knows when a tenant is either permanently or temporarily off the Folsom payroll. Each tenant should sign a standard rental agreement which stipulates rental due dates and provides sanctions for late payment,

and the Business Services Division should apply the sanctions when tenants do not pay their rent on time.

CHAPTER IX
CONTROLLING EMPLOYEES' USE
OF STATE-OWNED VEHICLES

Although Folsom's garage appears to service buses and heavy equipment at the appropriate intervals, it does not maintain daily logs for state-owned vehicles as required by state regulations and the State Administrative Manual. As a result, the garage cannot ensure that Folsom employees are properly using state-owned vehicles.

Background

The garage, a part of Folsom's Business Services Division, is responsible for maintaining the buses and heavy equipment at Folsom and for controlling employees' use of state-owned vehicles. Under the direction of the equipment maintenance supervisor, the garage's three mechanics and nine inmate workers service eight Department of Corrections buses and one California Youth Authority bus. These buses are used to transport prisoners throughout the State. In addition, the garage services the prison's heavy equipment, including eight emergency generators located in various buildings throughout the prison and one tractor. The garage's policy is to service the buses and the heavy equipment at intervals recommended by the manufacturer. Service to the buses and the tractor includes lubrication and changing oil, oil filters, and air filters. Service to the emergency generators includes periodically checking the fuel, oil, coolant, batteries, and starting the generators once a week.

The equipment maintenance supervisor is also responsible for supervising the operation of the prison's 78 vehicles. This responsibility includes assigning vehicles to Folsom employees for travel outside the prison. Each employee using a state-owned vehicle off the prison grounds is required to fill out the log book located in the vehicle. Division policy requires the equipment maintenance

supervisor to submit a quarterly report to the business office indicating the total miles traveled by each prison vehicle.

Item 9.1 The Garage Cannot Ensure That Folsom Employees Are Properly Using State Vehicles

Folsom's garage does not maintain travel logs for state-owned vehicles as required by state regulations and the State Administrative Manual. As a result, the garage cannot ensure that Folsom employees are properly using state-owned vehicles. The garage does not maintain daily travel logs because the equipment maintenance supervisor mistakenly thought that the Department of General Services' Office of Fleet Administration had granted Folsom an exemption from this requirement.

Audit Scope, Objectives, and Methods

To determine whether the garage needed to maintain travel logs for the state-owned vehicles under its control, we reviewed Folsom's quarterly gasoline use reports for fiscal year 1984-85 and identified those vehicles that Folsom employees drove off the prison grounds. We also tested the accuracy of the quarterly gasoline use reports by comparing the mileage recorded on the reports with the mileage recorded on the logs kept at the main gate for a sample of 55 vehicles. In addition, we interviewed Folsom's equipment maintenance supervisor and both the equipment coordinator and the supervisor of inspection services for the Office of Fleet Administration.

Analysis

California Administrative Code, Title 2, Chapter 3, Section 599.807, requires state agencies to maintain a travel log for each state-owned vehicle under their control. Section 4143.1 of the State Administrative Manual (SAM) states that institutions do not have to maintain logs for vehicles that employees drive only on the grounds of

the institutions. In addition, this SAM section states that the Office of Fleet Administration may exempt an institution from the requirement of maintaining logs for vehicles that employees drive off the institution grounds, but only if the Office of Fleet Administration determines that other records the institution keeps will satisfy the SAM requirement. However, in order for this exemption to be granted, an institution must submit a written request to the Office of Fleet Administration.

During fiscal year 1984-85, Folsom employees drove 62 of Folsom's 78 state-owned vehicles off the prison grounds. However, Folsom's garage did not maintain travel logs for any of these vehicles. Furthermore, the equipment coordinator of the Office of Fleet Administration stated that Folsom had neither requested nor received an exemption from the requirement of keeping travel logs for any of these vehicles. Folsom's equipment maintenance supervisor stated that he did not maintain travel logs for the vehicles because he thought that Folsom had been granted an exemption.

Folsom's main gate does maintain a log for state vehicles entering and leaving the prison grounds. However, this log is incomplete because, by prison practice, the entering and leaving of certain vehicles is not recorded. The equipment coordinator for the Office of Fleet Administration stated that the log does not satisfy the SAM requirement.

During fiscal year 1984-85, Folsom employees drove the 62 vehicles approximately 208,000 highway miles. Based on the Office of Fleet Administration's average mileage cost, the cost of operating these vehicles off the prison grounds was approximately \$52,000. Because the prison does not maintain travel logs for vehicles that Folsom employees drive off the prison grounds, the equipment maintenance supervisor lacks information, such as miles driven and destination, to help him determine whether Folsom employees properly use these vehicles and whether the costs associated with these vehicles are appropriate.

Since our review, Folsom's procurement office has ordered 100 travel logs that the garage intends to place in each state-owned vehicle that employees drive off the prison grounds.

Conclusion

Folsom's garage does not maintain travel logs for state-owned vehicles under its control. As a result, Folsom cannot ensure that Folsom employees are properly using the state-owned vehicles under its control.

Recommendation

The garage should maintain travel logs for all of the vehicles that Folsom employees drive off the prison grounds, unless the prison receives a written exemption from the Department of General Services' Office of Fleet Administration.

Item 9.2 **The Garage Appears To Service Buses and Heavy Equipment at the Appropriate Intervals**

Folsom's garage appears to service buses and heavy equipment at the appropriate intervals.

Audit Scope, Objectives, and Methods

To determine whether the garage services the Department of Corrections' eight buses, the California Youth Authority's bus, and the prison's heavy equipment at the appropriate intervals, we reviewed the garage's bus and heavy equipment maintenance schedules for fiscal years 1983-84 and 1984-85. In reviewing the bus maintenance schedules, we determined the mileage intervals between each service for each of the nine buses, and we determined whether the buses are reaching the Department of General Services' objective of logging between 750,000 and 1,000,000 miles before each bus is retired from service. In our review of heavy

equipment, we analyzed the maintenance schedules for Folsom's eight emergency generators and one tractor. We determined the average number of days between services for the generators, and we determined the average number of hours of operation between services for the tractors.

Analysis

The manufacturers' recommended service instructions require the garage to service Department of Corrections and California Youth Authority buses at intervals of either 10,000 or 15,000 miles, depending upon the type of diesel engine in each bus. The garage's maintenance schedules for the nine buses indicate that during fiscal years 1983-84 and 1984-85, the garage staff serviced the buses a total of 153 times. The mileage between services exceeded the manufacturers' recommendations in only seven instances (4.6 percent), involving five buses. At the time the garage should have serviced two of the five buses, the Department of Corrections was using the buses to transport inmates to other institutions in the State, so the buses were not available for servicing. These two buses exceeded the recommended service interval by approximately 2,000 and 3,000 miles, respectively. Two more of the five buses exceeded the service interval by less than 1,000 miles. The remaining bus exceeded the service interval by almost 14,000 miles. The equipment maintenance supervisor could not determine why this bus exceeded the appropriate mileage interval before the garage serviced the bus. This oversight appears to be the only unjustified instance of improper servicing in two years.

Further, it appears that the buses will meet the Department of General Services' objective of logging between 750,000 and 1,000,000 miles. As of October 1985, three buses had logged over 800,000 miles and two buses had logged over 670,000 miles. In addition, the equipment maintenance supervisor stated that even though these buses will soon reach the mileage objective, the buses are in such good condition that the Department of Corrections plans to continue using them to transport inmates to new institutions opening throughout the State.

Warden's Directive 409 states that the garage should service the emergency generators once a month, and the maintenance manual states that the generators should be started once a week. Folsom acquired six of the eight generators in July 1984. Therefore, we reviewed the maintenance schedules for fiscal year 1984-85. From July 1984 to December 1984, the garage did not keep accurate maintenance records for the generators; however, between January 1985 and July 1985, the records indicate that the garage serviced the generators once every month. In addition, the generators are programmed to start automatically once a week.

According to the manufacturer's maintenance manual, the garage should service the tractor after every 100 hours of operation. During fiscal years 1983-84 and 1984-85, the garage serviced the tractor seven times, with an average service interval of 39.6 hours.

Conclusion

Folsom's garage appears to service buses and heavy equipment at the appropriate intervals.

CHAPTER X
ACCOUNTING FOR STATE FUNDS

Folsom needs to improve its management of payroll and salary advances to employees. For example, because the Custody Division does not maintain attendance records to support all salary payments, the State may be routinely paying employees for time that they did not work. In addition, the State has made incorrect payments to employees because the personnel office has inadequate control over both the payment of premiums for working evening and night shifts and the recovery of payments for unauthorized sick leave. The State is also making incorrect payments to employees leaving state service because the personnel office incorrectly accumulates leave credits. Furthermore, employees and their doctors may be receiving late payments because the personnel office does not promptly submit employees' claims for compensation for work-related injuries. In addition, the Business Services Division does not appear to have adequate separation of duties in the handling of payroll warrants.

Moreover, the personnel office and the accounting office do not maintain adequate control over salary advances. As a result, employees' earnings may be attributed to the wrong year, and, therefore, misstated on employees' income tax reports. Furthermore, the accounting office cannot ensure that it makes only appropriate salary advances. The accounting office does appear to have adequate control over disbursements, however. The accounting office appears to process and issue travel advances correctly, to keep from overdrawing its revolving fund account, to maintain proper control over its sub-revolving funds, to reconcile its bank accounts promptly and accurately, and to maintain proper control over cash transactions. Finally, the accounting office appears to have adequate control over its accounts receivable, and it appears to comply with state requirements related to purchases.

Background

At Folsom, the personnel office and the accounting office are within the Business Services Division. The personnel office prepares all payroll documents that Folsom sends to the State Controller's office. The accounting office maintains accountability for all money received and disbursed.

Payroll

The personnel office is staffed by a personnel assistant II, five personnel assistant Is, and an office assistant II. The personnel assistant II acts as the personnel office supervisor. This office processed payroll documents for over 850 employees in fiscal year 1984-85.

Each month the personnel assistants review the attendance reports and the State Controller's office list of payroll warrants (pay checks) to determine whether the State Controller has written the warrants for the correct amounts and whether employees are entitled to their full warrant. If an employee will not be entitled to his or her entire payroll warrant, the personnel office will request that the accounting office either deposit the payroll warrant or return it to the State Controller. The accounting office will then issue an advance to the employee until the State Controller's office issues a corrected warrant. The personnel office uses the attendance reports to determine how many hours of overtime employees worked, whether employees are entitled to premium payments for working evening or night shifts, and whether employees have used any of their accumulated vacation, sick leave, or compensatory time off. The accounting office distributes warrants after the personnel office determines the amounts are correct for the employees.

The personnel office is also responsible for processing documents to place new employees on the payroll, paying employees for time they have

worked, removing employees from the payroll, requesting that the State Controller's office change an employee's payroll status, and making other than normal salary payments, such as those for disability benefits.

The personnel office is responsible for requesting a variety of disability payments: industrial disability leave, nonindustrial disability insurance, and workers' compensation. Employees who suffer disabling injuries or illnesses are eligible to receive disability compensation from the State. Supervisors are required to report all work-related injuries and illnesses to the personnel office if the employee requires medical treatment beyond first aid or if the injury or illness results in lost workdays. The personnel office prepares an injury claim form and submits it to the State Compensation Insurance Fund (SCIF) for processing, approval, and payment. The SCIF reviews the injury claim form and determines whether the injury or illness is work related. During calendar year 1984, Folsom employees lost over 2,500 workdays as a result of work-related injuries and illnesses, and seven Folsom employees retired because of disabilities. By March 31, 1985, the SCIF had accepted 144 (97.3 percent) of 148 claims that Folsom employees filed in calendar year 1984.

If the SCIF determines that the injury or illness is work related, it pays bills for medical treatment and authorizes payment of compensation to the employee. Once the SCIF approves the claims, an employee can select from three different types of benefit plans: 1) industrial disability leave, which pays the employee's full net salary for the first 22 working days and two-thirds of gross pay, less voluntary deductions, for the rest of the 52 weeks; 2) workers' compensation using accumulated leave credits, which pays the employee up to \$154 per week plus the salary covered by using leave credits; and 3) workers' compensation without using accumulated leave credits, which pays \$154 per week. The personnel office must request that the State Controller change the employee's payroll status and pay the employee according to the benefit plan that the employee has selected.

If the employee's injury or illness is not work related, the employee may file for nonindustrial disability insurance benefits. In these cases, the personnel office tells the State Controller to remove the employee from the payroll and requests that the State Controller's office prepare warrants. Employees who cannot return to work may apply for disability retirement.

Maintaining the Accounting Records

The accounting office is responsible for maintaining accountability for all money received and disbursed by Folsom, including money from the General Fund and the Inmate Welfare Fund. The accounting office also accounts for Folsom's purchases, establishes and maintains records for money that other organizations and individuals owe the prison, and collects and records payments made to the prison. The Revolving Fund account, a checking account supported by General Fund money, is used to issue checks for employees' salary advances, travel expense advances, and travel expense reimbursements.

The accounting supervisor, who reports to the senior accounting officer, is responsible for reconciling with the State Treasury balances Folsom's General Checking Account balances, which combine the cash balances of the General Cash Account, the Revolving Fund, the Inmate Welfare Fund, and the Inmate Trust Fund. This process involves reconciling the total amount that Folsom has in its accounts with the total amount shown on the statement that the State Controller's office sends to the prison.

In addition, the accounting office is responsible for establishing and maintaining records for money that other organizations and individuals owe the prison. These records are called "accounts receivable." As of September 30, 1985, Folsom had accounts receivable totaling \$53,061 that the accounting office had not yet collected. These accounts ranged from 31 days to over four months past due. Accounts are

considered past due when the debtor does not pay money owed to the State within 30 days after the State first attempts to collect the debt.

The accounting office uses the automated California Statewide Accounting and Reporting System (CALSTARS) for functions such as maintaining the cash receipts and disbursements register. The CALSTARS is designed to accommodate all state agencies' accounting and reporting requirements.

Controls Over Receipts and Disbursements

Folsom's trust office pays inmates who are paroled or discharged the balance of their trust accounts and state allowances to which they are entitled from the Cash Payment Fund. Inmates' personal money is held in trust accounts; this money may be given to family members, used to pay bills, or invested. The state allowance is cash that inmates are entitled to receive upon their release from prison. The trust office is responsible for preparing all checks; the senior accounting supervisor verifies that all of the checks have proper authorization and that all checks larger than \$15,000 have two authorizing signatures.

The accounting office reimburses Folsom employees for cash purchases of up to \$25 out of the Business Office Petty Cash Fund. To control these cash purchases, Folsom's procurement office requires employees to obtain approval in the form of cash disbursement vouchers before they pay cash to vendors, and the accounting office requires employees to present cash disbursement vouchers and the vendors' receipts before authorizing the cashier to reimburse the employees. The accounting office provides cash from the Hobby Store Change Fund to the inmate hobby store for the day-to-day making of change.

Item 10.1 The Custody Division's Timekeeping System Is Deficient

The Custody Division's timekeeping procedures do not sufficiently ensure that employees are paid only for the hours that they actually work. Only one employee is responsible for assuring the accuracy of the hours worked by all employees on a single work shift. Furthermore, Folsom's system does not require that, for individual employees, a separate record be made for either actual hours worked or the times that employees begin and end work. Consequently, the Custody Division timekeeper cannot be certain of the number of hours that each employee works. We found instances in which employees who worked two consecutive shifts were probably overpaid because the normal starting and stopping times of the two posts they were assigned to overlapped. As a result, the State may be paying some employees for hours that they did not work.

Audit Scope, Objectives, and Methods

In fiscal year 1984-85, approximately \$15,231,915 (68 percent) of the \$22,315,727 that Folsom spent for payroll was spent for Custody Division employees. Because such a large portion of Folsom's payroll is for Custody Division employees, we limited our timekeeping review to the Custody Division. To determine whether the Custody Division maintains attendance records to support all salary payments, we reviewed the October 1984 payroll records for 13 employees and the April 1985 payroll records for another 15 employees. For each of the 28 employees in our sample, we compared three things: the number of hours for which the employee was paid according to the payroll warrant registers, the number of hours the employee worked as shown on the attendance reports, and the number of hours the employee worked as shown on the daily watch sheets.

Analysis

The Custody Division's workday consists of three shifts or watches. On weekdays, approximately 50 employees work on the first watch, approximately 225 work on the second watch, and approximately 65 work on the third watch. Normally, the first watch hours are from 11:30 p.m. to 7:30 a.m., the second watch hours are from 7:30 a.m. to 3:30 p.m., and the third watch hours are from 3:30 p.m. to 11:30 p.m. Each watch has one watch sergeant who is responsible for assigning staff to vacant posts and for recording and assuring the accuracy of employees' attendance on the daily watch sheets.

When recording attendance information on the daily watch sheets, the watch sergeant does not note an employee's starting or ending times if the employee works normal watch hours. However, some posts have starting and ending times that do not match the normal hours, and for these posts, the watch sergeant notes the starting times on the daily watch sheet. Although some employees check in at the watch sergeant's desk as they begin work, it is the prison's practice to allow other employees who work in areas that are distant from the custody office to call the watch sergeant to indicate that they are on the job. On the daily watch sheets, the watch sergeant records the employee's name next to the post to which the employee is assigned.

When the daily watch sheets are completed, the watch sergeant and the lieutenant sign them to vouch for the accuracy of the information shown and then send them to the Custody Division timekeeper in the personnel lieutenant's office. The timekeeper then transcribes attendance information from the daily watch sheets to the daily attendance reports. In transcribing the information, the timekeeper has to assume that employees actually worked the normal hours of the post unless the watch sergeant has indicated otherwise on the daily watch sheet. The personnel office, in turn, instructs the State Controller to pay employees for the hours recorded on the attendance reports.

In ten instances, involving 4 of the 28 employees we sampled, the timekeeper recorded on the attendance reports that the employees worked consecutive eight-hour watches at two separate posts even though the daily watch sheets indicated that the two eight-hour watches overlapped. The overlapping periods ranged from .5 to 1.5 hours, for which the State paid the 4 employees a total of \$129.87. Without maintaining a separate record, such as timesheets signed by immediate supervisors or timecards stamped by timeclocks, the Custody Division timekeeper cannot be certain of the number of hours that employees actually work.

As a result of the United States Supreme Court decision in Garcia vs. San Antonio, 1985, and the federal Fair Labor Standards Act, enacted in 1938 and amended in 1974, the State's Department of Personnel Administration has required each state agency to develop a means of maintaining and recording the daily and weekly hours that each employee is scheduled to work and any variations from that schedule. This requirement, which includes the number of overtime hours the employee works, applies to each seven-day work period since April 15, 1985. In response, the Department of Corrections recommended that institutions' timekeeping records include the times that each employee begins and ends work.

In response to the requirement for improved recordkeeping specified by the Fair Labor Standards Act, Folsom's employee relations officer developed a system by which Custody Division employees noted, on a sign-in and sign-out sheet, the time that they reported to work and the time that they left work. However, because the starting and stopping times that employees recorded were unreliable, we determined that this system is inadequate. On November 1, 1985, between 3:15 p.m. and 3:20 p.m., we observed that 33 (17 percent) of the 194 Custody Division employees who signed in and out for the second watch erroneously entered that they left work at 3:30 p.m. or later. Furthermore, 3 of the employees signed in and out for the second watch for the following day. Folsom has since discontinued this method of timekeeping.

Conclusion

The Custody Division's method of recording hours for which employees are to be paid has some significant weaknesses. For example, only one employee is responsible for accurately reporting the hours that all employees on a watch actually work. Further, the timekeeper does not have sufficient records to prevent overpaying employees when the starting and ending times of their post assignments overlap. As a result, the State may be paying employees for time that they did not work.

Recommendation

The Custody Division should adopt a timekeeping system that provides an accurate account of the actual hours that each employee works. The Custody Division should explore the possibility of using timeclocks or timesheets signed by immediate supervisors.

Item 10.2 **The Personnel Office Has Made Errors in Its Requests for Payment of Premiums for Working Evening and Night Shifts**

Personnel office staff have made errors in computing the amount of premium payments that employees should receive for work during evening and night shifts. The hourly pay rates for the two shifts are different, and the personnel office thus instructed the State Controller's office to make inaccurate payments to employees. According to the personnel office supervisor, personnel office staff made these errors because of interruptions during the heavy work periods. According to the associate warden for business services, the personnel office supervisor does not have time to periodically review the staff's work to detect computation errors.

Audit Scope, Objectives, and Methods

To determine whether the personnel office asks the State Controller's office to pay employees the correct amount of premiums for working evening and night shifts (shift premiums), we reviewed payroll warrant registers and attendance reports for 10 employees who worked evening and/or night shifts in the October 1984 pay period and for 15 employees who worked evening and/or night shifts in the April 1985 pay period. In this review, we compared the number of shift premium hours that employees worked as reported on the payroll warrant registers to the number of shift premium hours that employees worked as reported on the attendance reports.

Analysis

The employment contract between the California Correctional Peace Officers Association and the State of California specifies that employees who work between 6:00 p.m. and midnight (evening shift) are eligible for a 35-cent per hour premium payment and that employees who work between midnight and 6:00 a.m. (night shift) are eligible for a 40-cent per hour premium payment. The contract also requires an employee to work at least four hours within those shifts to be eligible for the premium payment. On a typical weekday, approximately 115 Custody Division staff work on the night and evening shifts.

For 6 (24 percent) of the 25 employees in our sample, the personnel office requested that the State Controller's office pay an incorrect amount of premium payment for working evening or night shifts. For example, the personnel office asked the State Controller's office to pay shift premiums to 2 of the 25 employees even though the employees worked less than 4 hours in the shift. In another case, the personnel office asked the State Controller's office to pay shift premiums to an employee for working 160 hours during the night shift even though the employee worked the 160 hours during the evening shift.

The personnel office supervisor stated that, because other Folsom employees interrupt the personnel office staff's work with routine requests for information or assistance during periods of payroll processing, personnel office staff sometimes make errors in calculations. The State Personnel Board recognized a causal link between interruptions and errors made by personnel office staff during payroll processing in a 1985 review of a sample of the Department of Corrections' prison personnel offices. The personnel office supervisor also stated that she does not periodically review for accuracy the requests for shift premium payments. The associate warden for business services stated that the personnel office supervisor does not have time to review the personnel office staff's work.

As a result of the errors in calculating shift premium payments, the State paid the six employees incorrectly. The six incorrect payments ranged from one underpayment of \$4.80 to one overpayment of \$9.80. Overpayments cost the State money unnecessarily, and underpayments deny employees money that they have earned.

Conclusion

The Folsom personnel office has incorrectly calculated the amount of premium payment that employees should receive for work during evening and night shifts. As a result, the personnel office instructed the State Controller's office to make inaccurate payments to employees.

Recommendation

The personnel office supervisor should explore limiting access to the personnel office during periods of payroll processing. In addition, the personnel office supervisor should periodically review the requests for payment of shift premiums to detect and correct errors.

Item 10.3 The Personnel Office Does Not Request the Recovery of All Payments for Unapproved Sick Leave

Folsom's personnel office does not always request the recovery of payments to employees for sick leave that supervisors did not approve. As a result, the State is not being reimbursed for salary payments to which the employees are not entitled. These overpayments may be occurring because the personnel office supervisor does not routinely review the personnel office staff's requests for the recovery of payments for unapproved sick leave.

Audit Scope, Objectives, and Methods

To determine whether the personnel office asks the State Controller's office to recover payments that the State has made to employees for unapproved sick leave, we reviewed the attendance and payroll records for a sample of 18 employees who failed to complete and submit the form by which agencies authorize sick leave payments.

Analysis

The State Personnel Board's Personnel Transaction Manual Section 605.13 requires employees to complete and submit the absence request (Form 634) to request payment for a sick leave absence. It is Folsom's policy that, if supervisors determine that the use of sick leave is appropriate, they approve the request. When the personnel office discovers that an employee has been paid for sick leave that supervisors did not approve, the State Controller's Payroll Procedures Manual requires the personnel office to request that the State Controller's office recover the overpayment by reducing subsequent payroll warrants.

The personnel office did not ask the State Controller's office to recover all payments for unapproved sick leave for 4 of the 18 employees in our sample. For example, the personnel office did not

request that the State Controller's office recover payments for one employee's eight hours of unapproved sick leave, for the employee's overtime premium that was affected by the unapproved sick leave, and for the overtime portion of the employee's shift premium. For another employee, the personnel office asked the State Controller's office to recover the payment for the eight hours of unapproved sick leave but did not request recovery of an associated overtime premium and the overtime portion of the shift premium. For each of the other two employees, the personnel office again requested that the State Controller's office recover the payment for eight hours of unapproved sick leave, but it did not request recovery of the associated shift premiums. As a result, the State failed to receive a total of \$239.36 in reimbursements from the 4 employees.

The personnel office supervisor stated that she relies on the personnel office staff to determine whether employees who have been on sick leave have completed the necessary absence requests and to ask the State Controller's office to recover overpayments. She does not routinely review the personnel office staff's work. Furthermore, personnel office staff do not have a system to remind them of the variety of salary payments that may be affected by unapproved sick leave, and they sometimes fail to determine whether the State Controller's office must also recover shift premium and/or overtime premium payments.

Conclusion

The personnel office does not request the recovery of all payments for unapproved sick leave. As a result, the State is not being appropriately reimbursed for salary payments to which the employees are not entitled.

Recommendation

The personnel office supervisor should develop a checklist to aid staff in remembering to request that the State Controller's office recover

the variety of salary overpayments caused by unapproved sick leave. The personnel office supervisor should routinely check to see that employees who have been on sick leave have completed absence requests and that personnel office staff have asked the State Controller's office to recover all overpayments. Finally, the personnel office should request that the State Controller's office recover the \$239.36 in overpayments we identified.

**Item 10.4 The Personnel Office Does Not Always Accurately
Accumulate Leave Credits in Calculating Lump-Sum Payments
for Separating Employees**

Folsom's personnel office does not always accurately accumulate leave credits in calculating lump-sum payments for employees leaving state service, as required by state law and the State Personnel Board. Because the personnel office supervisor does not review the calculations, the personnel office has instructed the State Controller's office to make inaccurate lump-sum payments to employees leaving state service.

Audit Scope, Objectives, and Methods

To determine whether the personnel office accurately accumulates leave credits for separating employees and asks the State Controller's office to make the correct lump-sum payments for these employees, we reviewed leave records and payment requests for 10 of the 37 employees for whom the personnel office requested lump-sum payments between August 1984 and July 1985.

Analysis

The California Government Code Section 19839 and the State Personnel Board's Personnel Transactions Manual Section 623.2 require the personnel office to project forward, from the date that the employee leaves his or her employment with the State, the credits for vacation

leave and compensatory time off that the employee has accumulated. In addition, the Personnel Transactions Manual requires the personnel office to accumulate additional leave credits for the employee over the projected period, as if the employee were still working during that period.

Personnel office staff incorrectly accumulated leave for two of the ten employees in our sample. Personnel office staff accumulated 15 more hours of vacation leave than one employee actually earned, and they failed to accumulate 11 hours of vacation leave credit to which the other employee was entitled. The personnel office supervisor stated that she does not review lump-sum payment calculations for accuracy because she relies on the personnel office staff to make them correctly. As a result of the incorrect calculations, the State overpaid the first employee \$192 and underpaid the second employee \$141. Overpayments cost the State money unnecessarily, and underpayments deny employees money that they have earned.

Conclusion

The personnel office does not always accurately accumulate leave credits in calculating lump-sum payments for employees leaving state service. As a result, the State pays employees leaving state service incorrect amounts.

Recommendation

The personnel office should request that the State Controller's office recover the \$192 overpayment and pay the \$141 that the State owes the underpaid employee. Further, the personnel office should review the lump-sum payments in fiscal year 1984-85 that we did not review and correct any errors it detects. Finally, the personnel office supervisor should periodically review calculations of accumulated leave credits for lump-sum payments to detect and correct any errors.

Item 10.5 **Although the Personnel Office Submits Late Claims for Work-Related Injuries, It Adequately Computes Disability Payment Amounts**

The personnel office took longer than allowed by state requirements to submit 40 of the 41 injury claims we reviewed. As a result, doctors providing treatment to injured employees may experience delays in receiving their payments, and employees may experience delays in receiving their benefits. If the Workers' Compensation Appeals Board finds a delay unreasonable, it may increase the award to the employee by 10 percent. We also found that the personnel office is satisfactorily computing and authorizing disability payments.

Audit Scope, Objectives, and Methods

To determine whether Folsom's personnel office submits forms promptly, we reviewed all 41 claims it filed with the State Compensation Insurance Fund during the third quarter of 1984.

To determine whether the personnel office correctly computes and requests disability payments for employees in accordance with state regulations, we reviewed the personnel office's calculations of and requests for payment to five employees who received disability payments between June 1, 1983, and September 30, 1985. We reviewed records for 2 pay periods for one employee who received nonindustrial disability payments, 3 pay periods for each of two employees who received industrial disability payments, 17 pay periods for one employee who received industrial disability and workers' compensation temporary disability payments, and 23 pay periods for another employee who received industrial disability and workers' compensation temporary disability payments.

Analysis

The State Administrative Manual Section 2580.1 requires an employer to report work-related injuries promptly. Supervisors must complete an injury report following each work-related injury requiring medical care beyond first aid or resulting in lost workdays. The employer must submit a claim to the State Compensation Insurance Fund within five days of the injury. A late report can delay the employee's benefits.

In 40 (98 percent) of the 41 cases we reviewed, the personnel office was late in filing a claim with the State Compensation Insurance Fund. In 30 (73 percent) of the 41 cases, the personnel office filed the claim 20 days or more after the date of the injury.

The personnel office does not submit the claims on time partly because supervisors do not promptly complete injury reports and because reviewing officers do not review the reports promptly or submit them to the personnel office on time. Also, the personnel office itself does not perform its responsibilities expeditiously. In addition, the warden has not established a system specifying responsibilities and reporting requirements to ensure prompt reporting of work-related injuries, and he does not have a method to monitor the prison's compliance with state policy requirements.

According to the manager of the workers' compensation claims unit of the Department of General Services, delays in filing claims for work-related injuries with the State Compensation Insurance Fund can result in delayed payment of doctors' bills for medical treatment and delays in paying benefits to employees. According to Section 5814 of the Labor Code, if the Workers' Compensation Appeals Board finds a delay unreasonable, it can increase an employee's disability compensation award by 10 percent.

Even though Folsom is not processing its injury reports and claims promptly, it appears to make only minor and infrequent errors in

calculating disability payments. The Government Code Sections 19879 and 19880 and the California Administrative Code, Title 2, Section 599.770, specify requirements for eligibility for nonindustrial disability insurance benefits. The State Controller's Payroll Procedures Manual Sections 37.6 through 37.8 specifies the procedures that the personnel office must follow in calculating nonindustrial insurance benefits and requesting nonindustrial disability payments. Similarly, the Government Code Sections 19869 through 19877 specify requirements for eligibility for industrial disability leave, and the State Personnel Board's Personnel Transaction Manual Section 432 provides guidelines for computing industrial disability leave payments. The State Controller's Payroll Procedures Manual Section 41.9 specifies the procedures that Folsom's personnel office must follow in computing and requesting pay when accumulated leave credits are used to supplement workers' compensation payments.

The personnel office incorrectly requested disability payment for only one employee in one of the 48 pay periods we reviewed. Although the employee worked on September 3, 1984, the Workers' Compensation Appeals Board granted the employee industrial disability leave for that day. The personnel office paid the employee as though she had not worked that day and was only eligible for industrial disability leave at two-thirds her salary rate. As a result, the State underpaid this employee \$35.35. However, the \$35.35 error was one-tenth of one percent of the \$26,794.24 that the State paid the employee for disability over 23 pay periods; the \$35.35 was four one-hundredths of one percent of the \$73,217.79 in disability payments that the State paid to the five employees in our sample. The personnel office correctly calculated and requested disability payments for all other pay periods in our sample.

Conclusion

The personnel office submits claims for work-related injuries late. As a result, doctors may receive late payments for medical treatment and employees may receive delayed benefits. If the Workers' Compensation Appeals Board finds a delay unreasonable, it may increase the award to the employee by 10 percent. However, the personnel office adequately computes and requests disability payments. The one error we found appears isolated and the underpaid amount immaterial.

Recommendation

The warden should establish a system to promptly report work-related injuries and illnesses, as required by the State Administrative Manual, so that the personnel office can submit claims to the State Compensation Insurance Fund within the five-day period allowed. He should develop a method to monitor the personnel office's performance to ensure compliance with state regulations. The personnel office should pay the employee for the \$35.35 underpayment we found.

Item 10.6 **The Personnel Office Appears To Promptly Remove Separated Employees From the Payroll**

Folsom's personnel office appears to promptly remove from the payroll employees who have left state service, in accordance with the State Personnel Board's Personnel Transaction Manual.

Audit Scope, Objectives, and Methods

To determine whether the personnel office promptly and accurately removes separated employees from the payroll, we reviewed personnel files and payroll warrant registers for a sample of ten employees who recently separated from employment at Folsom.

Analysis

The State Personnel Board's Personnel Transaction Manual Section 470 requires agencies to remove separated employees from the payroll immediately upon the employee's separation from state service. The personnel office promptly removed from the payroll all ten of the separated employees in our sample. None of those employees appeared on the State Controller's Payroll Warrant Register in the pay period following their separation.

Conclusion

The personnel office appears to promptly remove separated employees from the payroll, in accordance with the State Personnel Board's Personnel Transaction Manual.

Item 10.7 **The Business Services Division Does Not Sufficiently Separate the Duties of Employees Who Handle Payroll Warrants**

Folsom's Business Services Division does not sufficiently separate the duties of employees who handle payroll warrants, in accordance with the State Administrative Manual. Unless these duties are separated, an employee could authorize a fictitious payment for personal use.

Audit Scope, Objectives, and Methods

To determine whether the Business Services Division sufficiently separates the duties of employees who handle payroll warrants, we compared the names of the 10 employees whom the division has authorized to receive or distribute salary warrants to the names of the 21 employees who process or sign documents that the State Controller's office uses to administer the payment of payroll. To determine that only authorized individuals distribute payroll warrants, we observed the distribution process and interviewed 13 of the prison's 14 timekeepers.

Analysis

The State Administrative Manual Section 8580.1 specifies that employees handling payroll warrants must not also process or sign reports of absences without pay, personnel action requests, personnel/payroll transactions, reports of exception to payroll, attendance reports, reports of extra hours to be paid, payroll adjustment notices, or proofs of lost or destroyed payroll warrants. However, 8 of the 13 timekeepers we interviewed stated that they had, at one time or another, picked up and distributed warrants to employees for whom they also recorded attendance. These timekeepers, the personnel supervisor, and the senior accountant stated they were not aware of the state policy. If employees who record attendance also receive and distribute payroll warrants, the employees could authorize a fictitious payment for personal use.

Conclusion

The Business Services Division does not sufficiently separate the duties of employees who handle payroll warrants, in accordance with the State Administrative Manual requirements. If these duties are not separated, employees could authorize a fictitious payment for personal use.

Recommendation

The Business Services Division should not permit employees who process or sign any of the documents the State Controller's office uses in preparing payroll warrants to also handle payroll warrants.

Item 10.8 **The Accounting Office Does Not Ensure That All of Its Salary Advances Are Appropriate**

Folsom's accounting office does not ensure that all of the salary advances it issues are in accordance with the State Administrative

Manual (SAM). The accounting office does not require the personnel office to identify the purpose of each salary advance that the personnel office requests. In addition, the accounting office issues salary advances in December, contrary to SAM guidelines. As a result, the accounting office may be issuing salary advances that are inappropriate and that misstate employees' earnings on employees' income tax reports.

Audit Scope, Objectives, and Methods

To determine whether the accounting office is issuing salary advances in accordance with the SAM, we reviewed 10 of the 12 salary advances that the accounting office issued to employees during fiscal year 1984-85 because the employees claimed hardship. We determined whether each of the 10 hardship advances was supported by an employee's written request and was approved by the employee's supervisor. To determine whether the accounting office issued more advances for hardship than the Department of Corrections allows, we identified the number of hardship advances that the accounting office issued to each employee between January 1985 and October 1985. We also sampled 10 of the 497 salary advances that the accounting office issued during fiscal year 1984-85 for purposes other than hardship and determined the purpose of the advances and identified the date that the accounting office issued the advances to the employee.

Analysis

Section 8595 of the SAM states that agencies can issue salary advances to employees only when errors or delays in the processing of payroll documents make it impossible for the State Controller's office to prepare and deliver salary warrants to the employees within a reasonable amount of time or when separating employees are in immediate need of their final salary payments. In addition, this SAM section states that an agency may, at its discretion, issue salary advances to alleviate serious or unforeseeable hardship that an employee

experiences. The Department of Corrections issued a memorandum stating that, to receive a salary advance for hardship, the employee must submit a written request that is approved by the employee's supervisor. In addition, the memorandum states that employees may receive only one salary advance for hardship during each calendar year.

Each of the ten employees who received hardship salary advances submitted to the personnel office a written request that the employee's supervisor approved. The accounting office received each of the requests from the personnel office before it issued the salary advances. Between January 1985 and October 1985, the accounting office issued hardship salary advances to six of the employees in our sample. The accounting office issued only one hardship salary advance to each employee during this period.

However, for seven of the ten other salary advances we reviewed, neither the accounting office nor the personnel office had a record of the purpose of the advances. Because the accounting office does not require the personnel office to indicate on the salary advance requests the purpose of the advances, the accounting office cannot ensure that the salary advances it issues are appropriate.

Section 8595 of the SAM states that agencies should not date, earlier than January of the next year, any salary advance checks issued for the month of December. However, this section also states that, if agencies do issue an advance in December, the agencies should report the amount of the advance to the State Controller's office so that the amount of the advance can be included in the employee's income tax statements. The accounting office issued two salary advances for the month of December 1984, but it dated these advances December 1984 rather than January 1985. Furthermore, the accounting office did not report these advances to the State Controller's office. As a result, the State Controller's office most likely understated, in income tax statements, the earnings of two employees for calendar year 1984 and most likely overstated their earnings for calendar year 1985.

Conclusion

The accounting office does not ensure that all of the salary advances it issues are in accordance with the SAM. As a result, the accounting office may be issuing salary advances that are inappropriate and that misstate employees' earnings or their income tax reports.

Recommendation

The associate warden for business services should require the personnel office to identify the purpose of each advance on all salary advance requests before submitting the requests to the accounting office.

The accounting office should not date earlier than January of the next year those salary advances issued for the month of December.

Item 10.9 The Accounting Office Appears To Correctly Issue Travel Advances and Process Travel Claims

Folsom's accounting office appears to issue travel advances and process travel claims in accordance with state regulations and procedures.

Audit Scope, Objectives, and Methods

To determine whether the accounting office issues travel advances and processes travel claims in accordance with state regulations and procedures specified in the State Administrative Manual (SAM), we reviewed ten travel advances and their ensuing claims that the accounting office issued and processed during fiscal year 1984-85. In our review of these travel advances, we determined the purpose of the advances to ensure that employees incurred the expenses while conducting official state business. In addition, we compared the amount of meal and transportation expenses claimed with the amount that should have been paid to ensure that the accounting office paid the appropriate amount for the claim.

Analysis

Section 8116 of the SAM states that an agency may issue an employee a revolving fund check as a temporary advance for travel expenses before the employee actually travels. In addition, Title 2, Article 8, Section 700 of the California Administrative Code allows agencies to reimburse employees for expenses incurred during travel on official state business. Furthermore, these state regulations list the amounts that agencies should use to calculate the employees' travel claims for meals and transportation.

The accounting office issued all ten of the travel advances we reviewed to employees conducting official state business. Of the ten travel advances, the accounting office issued seven advances for employee training classes that the in-service training office had previously approved; two advances to a former warden for meetings in San Quentin, Tehachapi, and Sacramento; and one advance, at the Department of Corrections' request, to pay for the expenses of a retired employee who worked at Folsom. Each of the ten travel advances was approved by the employee's supervisor, the business manager, or the training manager.

In addition, for all ten of the travel claims, the accounting office limited the payments to amounts justified by appropriate documentation. Employees submitted all ten travel claims within 60 days of the date that the travel advance was issued. Finally, the accounting office limited the payments to the maximum amounts allowable by the SAM.

Conclusion

The accounting office appears to issue travel advances and process travel claims in accordance with state regulations and procedures.

**Item 10.10 The Accounting Office Is Maintaining an Adequate Balance
in Its Revolving Fund Account**

Folsom's accounting office is maintaining an adequate balance in its revolving fund account. It is, therefore, complying with state requirements that agencies not overdraw their checking accounts.

Audit Scope, Objectives, and Methods

To determine whether the accounting office is overdrawing its revolving fund account, we reviewed the trial balance of the revolving fund account for each month between May 1985 and October 1985. Using the revolving fund sub-account balances, we determined the overall balance of the Revolving Fund for each of the six months we reviewed.

Analysis

Section 8047 of the State Administrative Manual states that agencies should prevent overdrafts of their general checking account, which includes the revolving fund account.

For each of the six months we reviewed, Folsom's accounting office maintained a positive balance in the Revolving Fund. The balances ranged from a low of \$436,587.76 to a high of \$618,652.38. The Revolving Fund's maximum allowable balance is \$850,000.

Conclusion

The positive balances in the prison's revolving fund accounts indicate that Folsom's accounting office is not overdrawing its revolving fund account.

Item 10.11 The Accounting Office Maintains Proper Control Over Its Cash Funds

Folsom's accounting office appears to maintain proper control over its cash funds, as required by the State Administrative Manual (SAM).

Audit Scope, Objectives, and Methods

To determine whether Folsom is maintaining proper control over its sub-revolving funds, we reviewed the procedures Folsom uses in handling its three cash funds: the Cash Payment Fund, the Business Office Petty Cash Fund, and the Hobby Store Change Fund.

Analysis

Section 8121 of the SAM states that each institution may establish a Cash Payment Fund that does not exceed \$5,000. Section 8121 of the SAM limits an institution's use of its Cash Payment Fund to providing cash to persons who are paroled or released for settlement of their trust accounts and for payment of their state allowances. Folsom has a Cash Payment Fund of \$5,000 that it uses only to provide cash to inmates when the inmates are paroled or released from the prison, and for settlement of trust accounts.

Section 8112.1 of the SAM authorizes cash purchase funds up to \$500 when a safe, vault, or money chest is available to safeguard the cash. In addition, Section 8112 limits cash purchases to a total of \$50 per purchase. Folsom has established a \$250 cash purchase fund and refers to it as the Business Office Petty Cash Fund. The Business Office Petty Cash Fund is kept in a safe inside Folsom's accounting office and was used only to reimburse employees for cash purchases of up to \$25.

Section 8111 of the SAM states that agencies may establish a change fund to provide sufficient cash to permit the agencies to make change

during their day-to-day cash collections. Folsom has a \$150 change fund to provide cash for the making of change in the day-to-day operation of its hobby store.

Finally, Section 8111.2 requires agencies to periodically verify the accountability of their change funds, cash purchase funds, and cash payment funds. Folsom's accounting office supervisor provided us with reports showing that he counts the Cash Payment Fund once a month, and the Business Office Petty Cash Fund and the Hobby Store Change Fund once every three months, as required by the SAM.

Conclusion

The Folsom accounting office appears to maintain proper control over its cash funds, as required by the SAM.

Item 10.12 The Accounting Office Reconciles Its General Checking Account Promptly and Accurately

Folsom's accounting office appears to reconcile its general checking account with State Treasury statements promptly and accurately in accordance with the State Administrative Manual (SAM).

Audit Scope, Objectives, and Methods

To determine whether the accounting office prepares State Treasury reconciliations promptly and accurately in accordance with the SAM, we reviewed Folsom's reconciliation of its checking account records to the State Treasury statements for the months ended July 31, August 31, and September 30, 1985.

Analysis

Section 8060 of the SAM requires that agencies reconcile their general checking account balances promptly at the end of each month.

Section 7967 of the SAM outlines the procedures that agencies should use to accurately reconcile the State Treasury statements with the general checking account balances at the end of each month. These procedures include using the State Treasury statement that the agency receives from the State Controller's office to perform the reconciliation, preparing a list of all deposits and checks that are not shown on the statement, and explaining any unusual transactions for the month.

The accounting office reconciled its general checking account in accordance with the procedures outlined in the SAM. The accounting supervisor completed each of the three State Treasury reconciliations we reviewed within seven days after he received the treasury statement from the State Controller's office. Before he received the statement, he had already filled out those portions of the reconciliation that did not require the statement. Furthermore, the accounting supervisor calculated each reconciliation accurately and used the State Treasury statement from the State Controller's office to perform the reconciliations. In addition, the accounting supervisor prepared a listing of all deposits and checks that were not shown on the State Treasury statement. Further, he included an explanation for any unusual transactions that were part of the reconciliation.

Conclusion

The Folsom accounting office appears to prepare State Treasury reconciliations promptly and accurately in accordance with the SAM.

Item 10.13 The Accounting Office Appears To Maintain Proper Control Over Cash Disbursements

Folsom's accounting office appears to maintain proper control over its cash disbursements, in accordance with the State Administrative Manual (SAM).

Audit Scope, Objectives, and Methods

To determine whether the accounting office maintains proper control over cash disbursements, we reviewed a sample of 51 revolving fund checks written during fiscal year 1984-85. In reviewing each cash disbursement, we determined whether the payment was supported by the proper documentation and whether the payee and the amount on the check were correct. We also reviewed the checks to ensure that an authorized official signed them. Further, we reviewed 27 additional checks that the accounting office issued for amounts in excess of \$15,000 to determine whether these checks had the required two authorized signatures. Finally, we determined whether the accounting office properly marked voided checks to avoid misuse of the checks.

Analysis

Section 8040 of the SAM requires agencies to make all disbursements, except those for petty cash, by check. In addition, Section 8001.2 of the SAM requires that agencies maintain a list of individuals authorized to sign checks. Further, Section 8041 of the SAM requires agencies to have two authorized signatures on all checks written for amounts in excess of \$15,000 unless the checks are payable to the State Treasurer or another agency account. Finally, Section 8041 of the SAM requires agencies to prevent the misuse of voided checks by stamping "void" on the face of the checks and by removing the signature portion of the checks.

The accounting office appears to maintain proper control over its cash disbursements. All 51 of the checks we reviewed were supported by proper documentation such as invoices, salary advance requests, and travel expense claims. Further, the payee and the amount on each check were the same as the payee and the amount cited in the supporting documentation, and each check showed the signature of an authorized official. In addition, 20 of the 27 checks that the accounting office issued for amounts in excess of \$15,000 had the signatures of two

authorized officials. Six of the remaining seven checks had only one authorized signature; however, these checks were payable to either the State Treasurer or another agency account. The chief accounting officer stated that the remaining check, issued on December 28, 1984, probably had only one authorized signature because the other officials authorized to sign checks were on vacation. Finally, the accounting office removed the signature portion of voided checks and properly marked the documents that authorized the checks to prevent their misuse.

Conclusion

Folsom's accounting office appears to maintain proper control over its cash disbursements. Occasionally, checks in excess of \$15,000 are not signed by two authorized officials as SAM requires.

Recommendation

The chief accounting officer should ensure that all checks issued in excess of \$15,000 are signed by two authorized officials.

Item 10.14 **The Accounting Office Appears To Comply With State Requirements Related to Purchases**

Folsom's accounting office appears to comply with the requirements of the State Administrative Manual (SAM) in recording and authorizing payments for purchases.

Audit Scope, Objectives, and Methods

To determine whether the accounting office recorded and authorized purchases in accordance with the SAM, we randomly selected and reviewed 20 delegated purchase orders, 15 purchase estimates, and 5 cash vouchers that the procurement office approved during fiscal year 1984-85. We then reviewed the accounting office's processing of these

documents by tracing each transaction from the procurement office's approval of the purchases to the accounting office's payment to the vendor.

Analysis

To determine the correct amount due the vendor, the SAM Section 10808 requires agencies to compare purchase orders to the reports of items received and to the vendor invoices. This section also requires agencies to accept discounts from vendors when discounts are available. For all 35 of the delegated purchase orders and purchase estimates we reviewed, the price and quantity of each purchase transaction agreed with the amount charged on the vendors' invoices, including adjustments such as partial shipments or vendor discounts, and the accounting office correctly paid the vendors. In addition, the accounting office took advantage of each of the three discounts that were offered by the vendors in our sample by promptly processing and paying each of the invoices.

The SAM Section 10503 requires agencies to set aside funds for the estimated amount that agencies expect to pay for purchases. The SAM Section 8340 states that, for small transactions, it is generally not necessary to set aside funds. For all large transactions, the accounting office promptly reserved funds when it received the delegated purchase orders and purchase estimates that the procurement office approved.

The SAM Section 8112 limits agencies to cash purchases of \$50 or less. All five of the cash vouchers we reviewed were for less than the \$50 limit and included receipts to support the amounts that employees claimed. In addition, the procurement office approved the payments before the accounting office reimbursed employees for the purchases.

Conclusion

The Folsom accounting office appears to comply with established state requirements related to purchases.

Item 10.15 The Accounting Office Appears To Establish and Maintain Accounts Receivable in Accordance With State and Department of Corrections Requirements

The accounting office appears to establish and maintain accounts receivable in accordance with the State Administrative Manual (SAM) and the Department of Corrections' Business Administration Manual. The accounting office attempts to collect accounts receivable that are past due, and it accurately and promptly bills for money owed to the State. In addition, the accounting office properly records, collects, and deposits payments made on accounts receivable by individuals or organizations.

Audit Scope, Objectives, and Methods

To determine whether the accounting office correctly establishes and maintains accounts receivable, we reviewed a sample of 44 accounts receivable for compliance with the SAM and the Business Administration Manual. To determine whether the accounting office takes prompt action to collect accounts receivable that are past due, we reviewed records from fiscal year 1985-86 on 18 accounts receivable that were past due for over 30 days. In addition, to determine whether the accounting office accurately and promptly bills organizations and individuals for money that they owe the State, we reviewed a sample of 10 invoices dated between August 1984 and October 1985 that the accounting office prepared for billing counties and out-of-state prisons for temporarily housing their prisoners at Folsom. We reviewed 12 invoices that the accounting office prepared from September 1984 to August 1985 for a lessee that rents property from Folsom. We also reviewed records for 5 accounts receivable that the accounting office established for

employees who received their regular salaries and owed the State money that the courts paid them for serving on jury duty. To determine whether the accounting office accurately records payments made by individuals or organizations on accounts receivable, we reviewed 10 payments from fiscal year 1985-86 on accounts receivable. Finally, we interviewed accounting office staff and personnel office staff to determine the responsibility each office has in establishing and maintaining accounts receivable.

Analysis

The SAM Section 8710.1 requires state agencies to implement certain procedures that will assure prompt collection of accounts receivable. These procedures include locating the debtors, sending letters to the debtors requesting payment once the account is overdue, and "offsetting" any money the debtors may owe the State. Offsetting is a procedure by which state agencies withhold money the State owes debtors, such as income tax refunds, to collect the amount the debtors owe the State. For all but one of the 18 accounts receivable we reviewed, the accounting office attempted to collect all or part of these receivables in accordance with the SAM requirements. For example, the accounting office located all of the debtors, sent letters to the debtors requesting payment, and, when appropriate, requested that the Franchise Tax Board offset the debtors' state tax refunds to collect the amounts the debtors owe the State. In the one instance when the accounting office did not completely follow the SAM requirements, the accounting office and the Folsom litigation coordinator made reasonable attempts to collect the outstanding debt. This case involved an attorney waiting for the court to pay him his fees for representing a prisoner before paying the State the amount he owed. When efforts to collect the money failed, the accounting office requested that the litigation coordinator attempt to resolve the problem. The litigation coordinator then wrote to the Attorney General's office requesting payment from the attorney. However, as of the end of our fieldwork, the accounting office had not received any payments from the attorney.

The Department of Corrections' Business Administration Manual Section 409 requires institutions to charge other governmental entities \$31.82 per day for housing inmates who are in the other entities' jurisdictions. In the ten invoices we reviewed, the accounting office properly billed other entities at the rate of \$31.82 per day. However, in August 1984, the accounting office charged a county for the six days following the date that Folsom released the county's prisoner. This overcharge resulted because the accounting office billed the county without obtaining any written documentation of the charges for housing the county's prisoner. Instead, the accounting office phoned the records office to obtain the release date of the prisoner. Since August 1984, however, the records office has provided the accounting office with written verification, and we found no further errors in Folsom's billing of other entities.

We also reviewed invoices prepared by the accounting office for the lease with the U.S. Postal Service, which pays Folsom monthly for leasing space for a post office on Folsom's grounds. The accounting office properly and promptly prepared all 12 of the invoices we reviewed.

The SAM Section 8594 requires state employees who receive their regular salaries while serving on paid jury duty to reimburse the State for any amounts the courts paid them, minus any travel expenses the employees incurred. In addition, this SAM section requires the accounting office to establish accounts receivable for the employees. In all five cases we reviewed, the accounting office properly established accounts receivable for Folsom employees who were paid by the courts for serving on jury duty.

Agencies should properly record payments on accounts receivable and deposit these payments to the appropriate fund. The ten payments on accounts receivable that we reviewed included prison housing rental payments and payments by employees for services the prison provided the

employees, such as shoe repairs and dry cleaning. The accounting office properly recorded, collected, and deposited all of the payments we reviewed.

Conclusion

The accounting office appears to establish and maintain accounts receivable in accordance with the SAM and the Business Administration Manual.

CHAPTER XI

ADMINISTERING FUNDS AND OTHER PROPERTY BELONGING TO INMATES

Folsom needs to improve certain aspects of its management of funds and other property belonging to inmates. For example, inmates are paying unnecessarily high prices for items such as stereos because the trust office and the receiving and release office are not making sufficient effort to obtain discount prices and because the trust office unduly restricts inmates' choice of vendors of those items. Furthermore, inmates may be delayed in having access to their money when they transfer from Folsom to other institutions and may be unable to send money home to their families or purchase personal items because the trust office does not promptly transfer the inmates' funds. In addition, the State may be unnecessarily reimbursing inmates for stolen and damaged inmate property because the Custody Division does not properly record the handling of inmates' personal property or safely store this property. On the other hand, we found Folsom's performance in other areas of inmate property management to be satisfactory. The trust office appears to record deposits and withdrawals in inmates' accounts accurately and appears to safely store inmates' savings books and securities. Furthermore, the Business Services Division appears to accurately account for Inmate Welfare Fund purchases and canteen operations.

Background

Folsom's Business Services Division and Custody Division are responsible for managing money and other property that is either owned by the inmates or that the prison uses solely for the benefit of the inmates. The Business Services Division is responsible for administering the Inmate Welfare Fund and the inmate trust accounts.

The Inmate Welfare Fund contains money that the director of the Department of Corrections holds in trust for the benefit, education, and welfare of inmates held in all of the prisons and institutions under the jurisdiction of the Department of Corrections.

The objectives of the Inmate Welfare Fund are to purchase items for inmate use, such as books for the inmates' library and equipment for the handicraft shop; to provide training and opportunities for inmates to be creative and to earn money by selling the products they create; and to provide for the operation of canteens where inmates can purchase personal items. Revenues to the Inmate Welfare Fund come from the operation of canteens that sell items such as cigarettes, candy, magazines, deodorant, shaving cream, and stationery to inmates; any money that prisoners contribute to the fund; interest earned on surplus monies in the Inmate Welfare Fund; and interest earned on inmates' personal monies in the possession of the director of the Department of Corrections. Under the direction of Folsom's senior accounting officer, the Inmate Welfare Fund accountant is responsible for the day-to-day accounting for and controlling of transactions involving the Inmate Welfare Fund.

The canteen manager II, who reports to the procurement officer in the Business Services Division, is responsible for purchasing and managing canteen merchandise and supervising three paid staff and approximately nine inmate employees who operate the canteen. In fiscal year 1984-85, inmates purchased over \$843,000 in merchandise from the canteen.

The Penal Code requires the Department of Corrections to keep a correct account of all inmates' money and valuables so that the prison can return them to the inmates when the Department of Corrections releases the inmates. At Folsom, the trust office, under the direction of the senior accounting officer in the Business Services Division, has responsibility for accounting for the inmates' money; the Custody Division has responsibility for accounting for the inmates' personal property such as clothing, jewelry, and appliances.

The Folsom trust office accounts for the inmates' money in the inmate trust accounts, which hold the personal funds of approximately 3,000 inmates assigned to the prison. Deposits to inmates' accounts include funds other institutions transfer to Folsom, money that family members or friends send to inmates, money inmates earn from handicraft sales, and money inmates earn on savings accounts and securities held by banks and other financial institutions outside the prison.

With the approval of correctional counselors, inmates may use their trust fund money to pay bills, to give to family members, or to invest. Inmates may also use their trust fund money to purchase items that appear on the warden's list of approved property. The approved items include handicraft supplies, books, canteen items, and special commissary items that are not available at the canteen, such as clothing, televisions, radios, guitars and typewriters. Inmates select special commissary items from special commissary catalogs prepared by the correctional officer working in the receiving and release office. The sergeant in charge of the receiving and release office and the watch lieutenant must approve any items that the correctional officer places in the catalogs. The correctional officer includes in the catalogs brief descriptions and prices of the items he selects from printed materials provided by vendors who are approved by the trust officer. To be approved, vendors must meet certain requirements. For example, vendors must deliver merchandise to the prison before the trust office pays for the merchandise, and vendors must disconnect speakers and remove antennas from televisions and radios purchased by inmates in security housing units (SHUs). In fiscal year 1984-85, inmates spent \$162,136 on special commissary items and books.

The Custody Division is responsible for recording and safely storing inmates' personal property. The warden authorizes the type and amount of property items inmates can possess while they are at Folsom. If inmates have unauthorized property when they arrive at Folsom or receive unauthorized property items, the Custody Division confiscates those items and disposes of them according to the inmates' directions

by either mailing the items to the inmates' family or donating them to a charitable organization. When inmates are assigned to one of the general population housing units, the Custody Division delivers to the inmates any property items that they are authorized to have. If inmates are assigned to one of the SHUs, the Custody Division stores property that inmates cannot have in the SHUs but would be able to have if they were in one of the general population units until the inmates either return to the general population or leave the prison. The Custody Division also assumes responsibility for inmates' property if the inmates leave the prison temporarily or if the Custody Division moves inmates from their assigned housing unit without giving the inmates prior notice.

Item 11.1 **Folsom Is Improperly Restricting Inmates' Choice of Vendors and Does Not Make Sufficient Effort To Obtain Discount Prices**

In violation of Department of Corrections policy, the trust office is restricting inmates' choice of vendors of special commissary items. Also in violation of policy, the trust office and its receiving and release office do not make every effort to obtain discount prices for inmates who purchase special commissary items. As a result, inmates pay more than necessary for some special commissary purchases and are unable to purchase some brands and models of items.

Audit Scope, Objectives, and Methods

To determine whether Folsom allows inmates a choice of vendors for special commissary items and whether it makes every effort to obtain discount prices for inmates for these items, we interviewed the Folsom trust officer, the sergeant in charge of Folsom's receiving and release office, the correctional officer responsible for selecting and placing items in the special commissary catalogs, and a random sample of 27 Folsom inmates who had made special commissary purchases in July 1983, November 1984, or December 1984. Also, to determine how another prison

handles special commissary purchases, we visited San Quentin State Prison and interviewed that prison's procurement officer. In addition, we visited the stores of four of the ten vendors that the trust officer has already approved and two discount department stores that are not approved vendors to determine if inmates could obtain better prices for the items they are currently purchasing and if inmates could purchase different brands and models of items.

Analysis

Title 15, Section 3092, of the California Administrative Code specifies that inmates can purchase, through any mail order house of the inmates' choice, special commissary items that have been approved by the prison's administration. In addition, the Department of Corrections' Business Administration Manual Section 4207(d) specifies that individuals who purchase special commissary items for inmates should make every effort to purchase the items at a discount that can be passed on to inmates.

Sixteen (59 percent) of the 27 inmates we interviewed said that they did not have an adequate selection of vendors, models, and prices for special commissary items. The trust officer, who has responsibility for contacting and approving new vendors from whom inmates can purchase special commissary items, stated that she limits the number of approved vendors because she believes that the trust office can operate more efficiently if there are only a small number of vendors with which it must deal. In contrast, San Quentin does not restrict its inmates' choice of vendors. San Quentin inmates are able to purchase items from any mail order catalog as long as the San Quentin procurement office is able to determine that the vendors are legitimate vendors and not individuals who might include contraband with the item being purchased.

In addition, Folsom's trust officer has a list of requirements that new vendors must agree to and sign before the trust officer will approve the vendors. The trust officer said that most potential vendors are

not willing to agree to the listed requirements, particularly the requirement that vendors wait until after they deliver merchandise before receiving payment for the merchandise. Through this requirement, the trust office tries to protect inmates' interests and attempts to avoid inmates' claims that might arise if vendors failed to deliver items that inmates ordered and paid for. However, two of three discount department stores in the Sacramento area that we contacted stated that they were willing to try to establish an account for Folsom inmates and receive payment for merchandise after they deliver it to Folsom.

One of the two unapproved vendors who stated that they would be willing to receive payment after delivering merchandise to Folsom also said she could probably meet the other requirements on the trust officer's list. The other unapproved vendor said he was willing to meet all the requirements except the requirement for disconnecting speakers and removing antennas on televisions and radios for security housing unit (SHU) inmates. It appears, however, that Folsom does not enforce this requirement since the SHU property rooms routinely remove antennas and disconnect speakers from televisions and radios that inmates purchase from the prison's approved vendors. Furthermore, these two potential vendors were offering comparable, and in some cases the same, merchandise for less money than were the approved vendors of special commissary items. For example, one of the approved vendors was selling a portable cassette player to inmates for \$129.97 while one of the potential vendors we identified was selling the same cassette player to the general public for \$99.97. Similarly, the same approved vendor was selling a manual typewriter for \$69.97 while one of the unapproved vendors was selling the same typewriter to the general public for \$67.76. In addition, the two unapproved vendors had brand names and models of items not available from currently approved vendors.

In addition to restricting inmates' choice of vendors, the trust officer stated that she does not attempt to get discount prices from approved vendors because she does not think that obtaining discount

prices is her responsibility. The trust officer, as well as the business manager and the associate warden for business services, did not know that the requirement to obtain discount prices was Department of Corrections policy. In addition, the correctional officer responsible for selecting the special commissary items from which inmates can select is not always making sufficient effort to offer to inmates the lowest price for items. For example, the correctional officer allowed inmates to purchase 9-inch fans from only one vendor at a price of \$19.99 while another approved vendor was offering to sell the same fan to inmates for \$13.97. The correctional officer said that he was not aware that the fan was listed in material provided to the prison by another approved vendor. However, when we visited the receiving and release office two weeks after we informed the correctional officer that the fan was available at a lower price, he was still offering to inmates only the fan at the higher price. The correctional officer said that he had forgotten about the lower-priced fan. When we visited the receiving and release office another two weeks later, the correctional officer finally was offering the \$13.97 fan to inmates.

Conclusion

The Folsom trust office unduly restricts inmates' choice of vendors of special commissary items and does not attempt to obtain discount prices on those items for inmates. In addition, the correctional officer who is responsible in the receiving and release office for selecting special commissary items that inmates can purchase is not always making sufficient effort to select those items that are being sold at the lowest possible prices. As a result, inmates are unnecessarily paying higher prices for some items, and they are unable to purchase some brands and models of items.

Recommendation

The business manager should revise the prison's procedure for purchasing special commissary items to require staff to make every effort possible to obtain discounts that can be passed on to the inmates. The trust office should attempt to locate more vendors who are willing to receive payment after the vendors deliver merchandise and who will sell special commissary items at the lowest possible price. Also, the trust officer should try to obtain from existing vendors discount prices on special commissary items. Finally, the correctional officer working in the receiving and release office should carefully review all materials that vendors provide to the prison to ensure that he includes in the special commissary catalogs those items with the lowest possible prices.

Item 11.2 The Trust Office Does Not Promptly Transfer Inmate Trust Funds

The trust office is not transferring inmate trust funds within the two-day period required by Department of Corrections policy. As a result, inmates transferred to other institutions may be delayed in being able to purchase items from the institutions' canteens or send money home to their families until their funds arrive. The delay occurs because the trust office transfers funds only once weekly.

Audit Scope, Objectives, and Methods

To determine whether the trust office transfers inmate trust funds to other institutions promptly, we reviewed the records of a sample of 25 inmates whose funds the trust office transferred from January 1984 through September 1985. During that period, the trust office processed approximately 3,900 transfers of inmate funds. To determine the effect of transferring funds late, we interviewed four inmates whose monies had been transferred to Folsom late from other institutions.

Analysis

The Department of Corrections' Business Administration Manual Section 4105 requires that, when an inmate is transferred from one prison to another, the trust office transfer monies held in trust for that inmate to the receiving institution within two days after the inmate departs. The trust office did not transfer within two days monies belonging to 20 (80 percent) of the 25 inmates in our sample. On average, the trust office transferred these 20 inmates' funds 6 days after Folsom transferred the inmates. In two cases, the trust office did not transfer the inmates' funds until 11 days after the inmates transferred.

The Folsom trust officer told us that the delays in transferring inmate monies occur primarily because the trust office normally consolidates transfers and processes them once weekly. In addition, the trust office may transfer inmate funds less often than once weekly because the trust officer assigns this task a low priority. Furthermore, the trust office is not always aware that an inmate has transferred. The trust office relies on the prison's daily movement sheet and the transmittal sheet to determine if an inmate has transferred to another institution. These two reports are not always reliable sources, however. For example, Folsom transfers some inmates to other institutions but does not place the inmates' names on either of the reports for security reasons. Furthermore, the correctional captain stated that the office that produces the daily movement sheet does not always know immediately when inmates are transferred to other institutions.

Because of the delays in transferring inmate funds to other institutions, inmates do not have ready access to their monies. Consequently, these inmates may not be able to purchase personal goods at the institutions' canteens or send money home to their families until their funds arrive.

Conclusion

The trust office does not promptly transfer inmate trust funds. As a result, inmates transferred to other institutions may not be able to purchase items from the institutions' canteens or send money home to their families for extended periods until their funds arrive.

Recommendation

The Folsom trust office should transfer inmate trust funds more frequently to ensure compliance with the two-day transfer requirement. The trust office should rely on the transmittal sheet to identify the inmates that Folsom transfers to other institutions, and the records office should notify the trust office of inmate transfers that do not appear on the transmittal sheet.

Item 11.3 **The Custody Division Does Not Properly Record the Handling of Inmates' Personal Property and Safely Store This Property**

Although Folsom's Custody Division appears to properly inventory and write receipts for inmates' personal property in accordance with the State Administrative Manual (SAM), the division does not properly record the handling of the property in accordance with a Folsom operational procedure. In addition, the Custody Division does not always safely store and handle inmates' property in accordance with the Penal Code, the SAM, and the Folsom operational procedure. As a result, inmates may be deprived of their personal property. Furthermore, the State may be paying money unnecessarily for inmates' claims against the State for stolen and damaged inmate property. The Custody Division may not always record the handling of inmates' property because the forms that division staff use to record the handling of inmates' property do not itemize all the information the employees must record. The Custody Division may not always safely store and handle inmates' property because the division allows inmate

clerks to work unattended in a storage area for inmates' property, the Plant Maintenance and Operations Department has not promptly repaired ceiling leaks, and the division has not assigned to specific individuals the responsibility of initiating procedures for handling the property of inmates whom the division has relocated.

Audit Scope, Objectives, and Methods

To determine whether the Custody Division properly inventories, writes receipts for, and records the handling of inmates' personal property, we reviewed 32 personal property records of a sample of 19 inmates, and we examined each of the 19 inmates' personal property items if the Custody Division had not previously returned the property to the inmates. For instances in which the division had returned the property, we verified that the inmates signed receipts for all of the property. All of the property transactions occurred between February and November 1985. To determine whether the Custody Division safely stores and handles inmates' personal property, we inspected all of the seven areas in which the Custody Division stores inmates' property and determined whether the areas were locked, whether the Custody Division limited access to the areas to authorized personnel, and whether the Custody Division was taking measures to protect inmates' property from rodent infestation and water damage. In addition, we interviewed one property officer, one watch sergeant, and one watch lieutenant to determine whether other division employees immediately notify the housing unit supervisor when the division orders inmates to be relocated and whether the housing unit supervisors immediately take control of and safely store inmates' property when the inmates are relocated within the prison.

Analysis

Penal Code Section 2085 requires the Department of Corrections to correctly account for all valuables belonging to inmates so that the department can return the valuables to the inmates upon their release

from the institutions. Section 19424 of the SAM requires that the Custody Division write receipts for and inventory inmates' personal property. We were able to locate either property belonging to or property receipts signed by 18 of the 19 inmates in our sample. Folsom transferred the remaining inmate to another institution in August 1985 and should have required the bus driver who transported the inmate and his property to sign a receipt. The sergeant in charge of the receiving and release office could not explain why the bus driver had not signed the receipt.

Although the Custody Division appears to properly inventory and write receipts for inmates' property in accordance with the SAM, Folsom's operational procedure for inmates' personal property further requires each employee who secures or inventories the property to document the time and date that he or she handled the property. Twenty-two of the 32 documents we reviewed recorded the employees' handling of inmates' property. For each of the 22 documents, the correctional officers completing the property receipts or inventories failed to enter the time at which they assumed control of the inmates' property. In addition, the officers failed to date 17 (77 percent) of the 22 documents. Although the procedure requires employees to enter on these documents the time at which they assumed control of the property, the forms do not note this requirement or provide a space for the entry of this information. In addition, two of the forms the Custody Division uses to record the handling of inmates' property--the Department of Corrections' Property Transfer Receipt and Folsom's Property Storage Record for Security Housing Unit II--do not designate a space for employees to enter the date on which they assumed control of the property. If Custody Division staff do not enter the date and time at which they assumed control over inmates' property and do not obtain signatures when they turn the property over to other staff or to the inmates, the Custody Division cannot prove, in the event of an appeal by an inmate, whether the prison was responsible for the item.

Section 19424 of the SAM also requires that the Custody Division exercise reasonable care to keep and preserve inmates' property so that the Custody Division may return the property to the inmates either when the Custody Division assigns the inmates to cells or releases the inmates from the prison. In six of the seven storage areas we inspected, the Custody Division restricted access to inmates' property to Custody Division staff. However, in the seventh storage area, we observed division staff sending inmate clerks unattended to storage rooms to retrieve inmates' property. The sergeant in charge of the area stated that the Custody Division employs inmates in this area because it does not have enough noninmate employees to handle the high volume of work. He also stated that Custody Division staff normally would not send an inmate clerk into storage rooms unattended unless all Custody Division staff in the area were too busy to go with the inmate. If the Custody Division allows inmates to enter inmate property storage areas unattended, inmates' property is unnecessarily vulnerable to theft.

Property officers in charge of the storage rooms for inmates' property have attempted to keep inmates' property safe by setting traps to eliminate rodent infestation. However, we observed two storage rooms in which water leaked through the ceiling. In one of the storage rooms, water from the leak damaged both inmate property and property records. The property officers in charge of these storage rooms have asked the Plant Maintenance and Operations Department to repair the leaks. For one storage room, a property officer requested repairs one year ago; for the other storage room, a property officer requested repairs as recently as October 1985. As of December 6, 1985, the Plant Maintenance and Operations Department had not repaired either of the leaks.

Folsom's operational procedure for inmates' personal property requires that employees who order inmates to be relocated within the prison notify the housing unit supervisors that the inmates will not be returning to their cells. In addition, the procedure requires that the

housing unit supervisors immediately take control of the inmates' property and store it in safe areas. One property officer stated that some Custody Division staff who order that inmates be relocated do not immediately notify the housing unit supervisor that the inmates will not be returning to their cells. A second watch lieutenant said that the Custody Division has not assigned to one employee the responsibility for notifying the housing units. Consequently, Custody Division personnel assume that someone else has notified the housing unit. The watch lieutenant also said that the watch sergeants and lieutenants are frequently so busy handling high volumes of inmate movement that they may forget to contact the security housing units. If Custody Division staff do not immediately notify the security housing units that they have moved inmates and that the inmates will not be returning to their cells, the property officers cannot immediately safeguard the inmates' property against theft.

If the Custody Division cannot provide documentation to show that it has maintained control over inmates' property and does not safeguard inmates' property from loss and damage, inmates may be deprived of their property and the State may have to pay money unnecessarily for inmates' claims against the State for loss of property.

Conclusion

Although the Custody Division appears to properly inventory and write receipts for inmates' personal property, the Custody Division does not maintain a complete record of accountability for the safekeeping of inmates' personal property. Furthermore, the Custody Division is not safeguarding inmates' property from water damage or from possible theft. When inmates' personal property is damaged or lost, the inmates may be deprived of their property, and the State may pay money unnecessarily to inmates for their claims against the State.

Recommendation

The Custody Division should designate a space on property receipt and inventory forms for employees to enter the date and the time at which they assumed control over an inmate's property. Also, the Custody Division should not permit inmates to enter inmate property storage areas unattended. In addition, if the Plant Maintenance and Operations Department does not respond promptly to division requests for repairs to inmate property storage areas, the Custody Division should notify the associate warden for business services of the existing conditions and of the necessity for repair. Furthermore, the Custody Division should assign to one employee the responsibility for notifying the security housing units that an inmate has been relocated and will not be returning to his cell.

Item 11.4 **The Trust Office Appears To Record Deposits and Withdrawals in Inmate Trust Accounts Accurately**

Folsom's trust office maintains records in accordance with state law and appears to record deposits and withdrawals in inmate trust accounts accurately.

Audit Scope, Objectives, and Methods

To determine whether the trust office records deposits and withdrawals in inmate trust accounts in accordance with state law, the State Administrative Manual (SAM), and principles of good internal control, we reviewed a sample of 15 deposits and 15 withdrawals that 30 different inmates made between July 1, 1984, and June 30, 1985. In addition, to determine whether the trust office permitted inmates to overdraw their accounts, we reviewed all 30 inmates' trust accounts for negative balances.

Analysis

Penal Code Section 2085 requires the Department of Corrections to correctly account for all inmates' monies so that the Department of Corrections can remit any monies that are due to the inmates upon their release from the institutions. SAM Section 19420 requires institutions to maintain a separate record for each inmate who has money. This section further requires institutions to exercise principles of good internal control. Good internal control, among other things, requires that the trust office not permit inmates to overdraw their trust accounts.

The trust office maintains a separate account for each inmate in Folsom who has money. The trust office made no errors in recording the 15 deposits and 15 withdrawals in our sample. Furthermore, of the more than 300 withdrawals that the 30 inmates requested, the trust office permitted only one withdrawal that resulted in the inmate's overdrawing his trust account. The amount overdrawn was 29 cents. This overdrawing was caused by an underestimate of the cost of an inmate's order for handicraft supplies. When inmates order handicraft supplies, the handicraft supervisor estimates the total cost of the items and sends a memorandum to the trust office requesting the trust office to reserve enough money to pay for the items. Because the handicraft supervisor underestimated by 29 cents the cost of handicraft supplies ordered by the inmate, the trust office reserved less of the inmate's money than was required to pay the vendor's bill. This instance appears isolated and was not a result of inadequate procedures in the trust office; we consider the overdrawn amount immaterial.

Conclusion

The trust office appears to record deposits and withdrawals in inmate trust accounts in accordance with state law, the SAM, and principles of good internal control.

Item 11.5 The Trust Office Appears To Accurately Record and Safely Store Inmate Savings Books and Securities

The trust office appears to accurately record and safely store inmate savings books and securities in accordance with the State Administrative Manual (SAM).

Audit Scope, Objectives, and Methods

To determine whether the trust office accurately records and safely stores inmate passbooks and securities, we reviewed the trust office records and counted the savings books and securities belonging to the nine inmates that, according to the trust officer, owned this property. In addition, we interviewed the trust officer and reviewed the controls over access to and storage of the savings books and securities.

Analysis

Sections 19420 and 19423 of the SAM require the trust office to maintain, for each inmate, a record that reflects the activity in the inmate's savings book and to safely store all savings books and securities. For each of the nine inmates who, according to the trust office, owned savings books, securities, or both, the trust office accurately maintained a record that reflected deposit and withdrawal activity in the inmate's accounts. In addition, we verified the existence of all savings books and securities that the trust office had listed in the records and determined that the trust office appears to control access to the savings books and securities through procedures that require simultaneous access by two people. Further, we determined that the trust office safely stores the savings books and securities in a locked safe.

Conclusion

The trust office appears to accurately record and safely store inmate savings books and securities in accordance with state requirements.

Item 11.6 **The Accounting Office and the Canteen Manager Appear To Maintain Adequate Control Over Canteen Merchandise**

The accounting office is appropriately accounting for canteen purchases from the Inmate Welfare Fund, and the canteen manager is adequately safeguarding the canteen's merchandise.

Audit Scope, Objectives, and Methods

To determine whether the accounting office maintains adequate accounting control over purchases from the Inmate Welfare Fund, we reviewed a random sample of 12 purchases made in fiscal year 1984-85. We did not examine any other expenditures from the Inmate Welfare Fund to assure that they were consistent with Department of Corrections policy. In addition, to determine whether the canteen manager adequately safeguards merchandise from theft, we reviewed canteen inventory procedures and inventory reports, and we observed canteen operations. We did not evaluate the process for procuring merchandise for the canteen.

Analysis

The Inmate Welfare Fund accountant is following accepted purchasing practices for the Inmate Welfare Fund purchases as required by Section 4225 of the Department of Corrections' Business Administration Manual. For the 12 purchases we examined, the Inmate Welfare Fund accountant compared and correctly reconciled all differences between the purchase orders, the stock received reports, and the vendors' invoices before paying the vendors. The accountant also took advantage of each of eight discounts that were offered by the vendors in our

sample by promptly processing and paying the invoices. The accountant correctly calculated the vendor invoice extensions. Finally, the accountant correctly classified payments to vendors in the appropriate expenditure categories.

The Inmate Welfare Fund Procedures Manual requires that the canteen manager protect canteen merchandise against pilferage. We inspected the security features at the canteen and found that the canteen manager keeps the doors locked, protects all vents, windows, and openings with heavy steel screen coverings, and prevents inmates from tampering with adding machine tapes by locking the tapes in a metal cabinet.

Conclusion

Folsom appears to maintain adequate accounting control over Inmate Welfare Fund purchases.

CHAPTER XII

CONTROLLING EQUIPMENT, TOOLS, AND SUPPLIES

Various departments at Folsom have deficient practices for controlling property such as equipment, tools, and supplies. For example, the Plant Maintenance and Operations Department (maintenance department) does not maintain records of the number of expendable property items received, issued, and stored in its warehouse, nor does it periodically inventory the items in its warehouse. Moreover, maintenance department staff are ordering from vendors supplies that are already stored in the warehouse. Similarly, vocational instructors in the Vocational Education Program keep no records on the number of expendable property items (items generally having a unit cost less than \$150) that they are issued. In addition, the property clerk keeps inaccurate records on the issue and location of highly desirable expendable and nonexpendable property items (items generally costing over \$150) and does not maintain records on the transfer of highly desirable property between prison locations. Furthermore, Folsom's pharmacy keeps inaccurate records on the storage and issue of dangerous drugs, and it is improperly dispensing dangerous drugs without prescriptions signed by physicians. As a result of the lack of control over the storage and issue of expendable and nonexpendable property, the various prison departments are inexplicably missing tools and supplies. Further, the loss of these property items results in the State's spending funds to replace the missing property. In addition, by prescribing and dispensing dangerous drugs, unauthorized medical staff may be committing misdemeanors and may be jeopardizing the health of prison inmates.

Background

Various departments at Folsom are responsible for the many different items that are used in carrying out daily activities. State regulations divide property into two major categories: nonexpendable

and expendable. Nonexpendable property consists of land, improvements, equipment, and accessories for such equipment that have a normal useful life of two years or more, an identity which does not change with use, a nature which makes it practical for an agency to account for the item, and an approximate unit cost of \$150 or more unless the items are either land or structures. Expendable property includes all other tools, equipment, materials, and supplies that are purchased from operating expense budget categories.

State regulations require agencies to designate one person to be responsible for all nonexpendable property. Folsom has designated the property clerk, who is located within the accounting office, to be responsible. The regulations also require that agencies keep formal property records to account for all nonexpendable property and informal records to account for sensitive property, which the State defines as any highly desirable and portable item (such as calculators). Sensitive property consists of both nonexpendable and expendable items.

The Plant Maintenance and Operations Department (maintenance department) warehouse is headed by a warehouse supervisor who reports to the chief of plant operations within the Business Services Division. The warehouse supervisor has one inmate working in the warehouse office. The warehouse supervisor is responsible for controlling and accounting for all expendable property belonging to the maintenance department. A 1982 Department of General Services' review estimated the value of the maintenance department's expendable property to be more than \$1 million.

The Folsom maintenance department has several maintenance shops (for example, electrical, carpentry, plumbing, and glass). Shop supervisors request the items that their shops need by completing requisition forms. The chief of plant operations must approve all requisition forms before the procurement office will order the items from vendors.

Also, the Vocational Education Program, within the Classification Division, provides ten vocational education courses. The instructors for these courses are solely responsible for requisitioning all items used in these courses.

In addition, the prison pharmacy maintains a supply of drugs to fill prescriptions for inmates. The pharmacy is staffed by a licensed pharmacist and a medical technical assistant. The pharmacist reports to the chief medical officer who, in turn, reports to the chief deputy warden. The pharmacist is responsible for providing pharmaceutical services to inmates such as dispensing drugs and drug information and interpreting prison doctors' prescriptions for proper uses and doses. The medical technical assistant checks expiration dates on drugs in stock, prepares requisitions for drugs, records prescriptions dispensed from supplies, inventories drug stock, and stocks shelves.

The pharmacy stocks three types of drugs: controlled drugs, legend drugs, and nonprescription drugs. Controlled drugs are dangerous drugs that have a potential for abuse, for risk to public health, and for psychological and physiological dependence. Legend drugs are dangerous drugs that are habitforming or not safe for self-medication because of toxicity or potential harmful effect; they are restricted to distribution by prescription only. Legend drugs must also be labeled "Caution: Federal law prohibits dispensing without a prescription." Nonprescription drugs are drugs that may be legally dispensed without a doctor's prescription. According to Folsom's pharmacist, in fiscal year 1984-1985, the pharmacy stocked approximately 200 different drugs and purchased drugs at an estimated cost of \$75,000.

**Item 12.1 The Maintenance Department and Vocational Education Do
Not Adequately Control Their Expendable Supplies**

The Plant Maintenance and Operations Department (maintenance department) and the Vocational Education Program (vocational education) do not control their expendable supplies. The maintenance department

neither maintains stock records nor conducts an annual physical inventory for its expendable supplies. Both the maintenance department and vocational education regularly leave expendable supplies unsecured and unattended. Without stock records and an annual inventory, the maintenance department needlessly incurs costs to retain obsolete items and maintains excess stock. In addition, the maintenance department needlessly orders items which it unknowingly has in stock. Further, because the maintenance department and vocational education leave supplies unsecured and unattended, they cannot account for all of the supplies and must therefore spend state funds needlessly to replenish those supplies which are inexplicably missing.

Audit Scope, Objectives, and Methods

To determine whether the maintenance department and vocational education adequately control expendable supplies in their storage areas, we inspected the storage areas and interviewed maintenance department supervisors and vocational education instructors. We also selected a sample of ten purchases of expendable supplies by the maintenance department and ten purchases of expendable supplies by vocational education and attempted to locate the items purchased or to verify that the staff who purchased them properly used the items.

Analysis

The maintenance department does not maintain stock records and conduct annual physical inventories for its expendable supplies. In addition, neither the maintenance department nor vocational education adequately safeguard their expendable supplies.

Failure To Maintain Stock Records and Conduct Physical Inventories

The State Administrative Manual (SAM) Section 3535 requires that state agencies having warehouses of a certain size, such as the size of Folsom's maintenance warehouse, maintain stock records and conduct

annual physical inventories. By maintaining stock records and conducting inventories to validate these records, agency staff have detailed, accurate information about the quantities of supplies they have on hand. This information assists managers in making better decisions about when and in what quantities to reorder supplies. Without this information, agencies are more likely to be maintaining costly excess stock, retaining obsolete items, and completely depleting stock. In addition, maintaining stock records allows agencies to coordinate the requisition of supplies by various units. It also averts an agency from needlessly and unknowingly purchasing items already in stock.

Contrary to the SAM requirements, Folsom's maintenance department neither maintains stock records on nor conducts annual physical inventories of the supplies in its warehouse and maintenance shops. The maintenance warehouse supervisor has no record of the maintenance department's ever conducting a physical inventory of the supplies stored in the warehouse and the maintenance shops. The warehouse supervisor said he does not believe that the maintenance department has conducted a physical inventory since the early 1970s. As part of a November 1982 comprehensive review of the Department of Corrections' Materials Management Program, the Department of General Services reviewed Folsom's maintenance warehouse operation and found the same deficiencies we found. However, despite the Department of General Services' recommendations, the maintenance department still is not maintaining stock records or conducting annual inventories.

As a result of the maintenance department's failure to keep stock records and conduct annual inventories of expendable supplies, the maintenance department stores obsolete items and excess quantities of items. Examples of the obsolete items that it stores include over 100 steel-reinforced porcelain sinks that the maintenance department no longer uses and 35 stainless steel toilets that the warehouse supervisor estimates have been in the warehouse since 1978 and that, because of their design, are no longer suitable for use in the prison.

The maintenance department also has an estimated 50 bundles of loose and decaying asbestos insulation. The carpentry shop supervisor could not determine how long Folsom has stored the asbestos. Examples of excess quantities of items that Folsom currently stores include 57 pitchforks that the warehouse supervisor estimates is a 19-year supply and 15 bathtubs that he estimates is a 5-year to 7-year supply. Carrying obsolete and excess stock may result in the loss of state funds due to obsolescence, deterioration, damage, and pilferage, and the State fails to gain revenue from selling excess quantities. Further, Folsom staff must spend needless time in handling these items, and Folsom may also be carrying excess stock that other institutions or agencies need.

During our review, the assistant chief of plant operations directed the warehouse supervisor to conduct a complete physical inventory of all items and to establish stock records.

A further result of incomplete and inadequate stock records is that the maintenance department cannot use a centralized warehousing system. Without stock records, the warehouse supervisor does not know what items he has in stock, and shops requisitioning items cannot wait for him to find out, especially if they have urgent work to accomplish or he is not at the warehouse. Consequently, the chief of plant operations allows the maintenance shops to routinely circumvent the maintenance warehouse and requisition supplies through him from the procurement office. This practice results in the maintenance department's needlessly ordering items that the warehouse unknowingly has in stock. For example, one of the maintenance shops ordered two garbage disposals from a local vendor at a total cost of \$256.36 even though the maintenance warehouse already had in stock two garbage disposals for which it had paid \$201.60. The maintenance shop used the two ordered from the local vendor, and the original two are still in the warehouse. The warehouse supervisor stated that the maintenance department seldom needs garbage disposals and that the items will probably remain in stock for a long time before they are used. The

chief of plant operations also stated that the electric shop supervisor had purchased small electrical transformers even though the warehouse supervisor already had several in stock.

Recognizing the need to better coordinate purchasing within his department, the chief of plant operations stated that, before he approves requests in the future, shop supervisors and any other maintenance staff ordering supplies must submit all purchase requests through the maintenance warehouse supervisor for review.

Failure To Adequately Safeguard Expendable Supplies

The maintenance department and vocational education do not adequately safeguard their expendable supplies against theft and misappropriation. According to the Department of General Services' Statewide Materials Management Training Handbook, safeguarding materials should be accomplished by locking warehouses and storage areas when not in use, restricting access to keys, monitoring points of entry and departure during operating hours, and restricting the accessibility of stored materials to warehouse employees.

The maintenance warehouse supervisor regularly leaves the maintenance warehouse unattended and unlocked while he picks up items delivered by vendors at Folsom's receiving warehouse. The warehouse supervisor stated that management staff of the maintenance department instructed him to leave the warehouse unlocked during the day so that maintenance department staff would have access to supplies. However, the chief of plant operations and his assistant informed us that they gave the warehouse supervisor no such instructions. Like the warehouse supervisor, the maintenance department supervisors frequently leave supplies that they store at their shop locations unsecured and unattended. One of the maintenance shop supervisors said that he stores supplies separately from the warehouse because he feels the items are more secure in his shop. The chief of plant operations stated that his shops have always stored supplies separately from the

warehouse but that he intended to consolidate the shops' supplies with the maintenance warehouse. Although the maintenance warehouse supervisor locks the building at the end of the day, he stated that an unknown number of people have keys to the warehouse. The warehouse supervisor stated that when he unlocks the warehouse in the morning, he sometimes discovers items missing that were there when he locked the warehouse the previous day. During our audit, the assistant chief of plant operations requested the Folsom locksmith to change all locks in the maintenance department.

In vocational education, the vocational education instructors do not store their expendable supplies in locked areas. Further, they regularly leave the supplies unattended. Several of the vocational education instructors stated that they do not keep stock records for expendable items.

Despite the availability of office space at the main entrance of the warehouse, the maintenance warehouse supervisor keeps his office in an area of the building which restricts his ability to see persons entering or leaving the warehouse. Further, he leaves open both doors--one which cannot be easily seen from his office--during working hours. Because he is the only Folsom employee in the warehouse, it is imperative that he restrict entry to one entrance that he can continually monitor from a suitably placed office.

As a result of the maintenance department's and vocational education's failure to safeguard their expendable supplies, they cannot account for some of their supplies. For example, the maintenance department could not locate or account for as having been used eight of the ten quantities of items such as wood, tools, and plumbing fixtures that we attempted to locate either in the warehouse or in the maintenance shops. Although we were able to locate a portion of the quantities of seven of the eight items, the maintenance department could not account for most of the material. For example, the carpentry shop could not account for 42 of the 50 sheets of finished birch plywood for which the

prison paid approximately \$1,200. The carpentry shop supervisor suspected that the wood, which is used to make cabinets and similar items, was taken by prison employees. For the remaining item, the maintenance department could not account for any of the quantities it purchased.

Similarly, vocational education instructors could not account for five of ten quantities of items that we attempted to trace. These items included tools and automotive equipment. Although we were able to locate a portion of the quantities in three of the five instances, the vocational education instructors could not account for many items. For example, vocational education could not account for 8 of the 22 car batteries that it purchased in August 1984. In the remaining two of the five instances, vocational education could not account for any of the quantities it purchased. As a consequence of not being able to account for supplies, Folsom must needlessly spend state funds to replenish the stock of unaccounted-for supplies.

Conclusion

Neither the Plant Maintenance and Operations Department nor the Vocational Education Program adequately controls its expendable supplies. Consequently, the maintenance department needlessly incurs costs to maintain obsolete and excess stock and unknowingly orders items already in stock. In addition, the maintenance department and vocational education must needlessly spend state funds to replenish supplies that are inexplicably missing.

Recommendation

The Plant Maintenance and Operations Department should establish stock records for all supplies and conduct a complete physical inventory of all expendable supplies. Also, the maintenance warehouse supervisor should ensure that all items brought to and removed from the storage areas are accurately recorded in the stock records. In addition,

Folsom should appropriately dispose of all obsolete and excess quantities of supplies identified during the physical inventory. Further, the maintenance department should establish a centralized warehousing system through which the chief of plant operations should require all maintenance staff to requisition supplies.

The maintenance warehouse supervisor should restrict access to the maintenance warehouse and all storage areas so that no one is in those areas unless accompanied by the maintenance warehouse staff. Furthermore, the maintenance warehouse supervisor should relocate his office to ensure that he can see all persons entering or leaving the maintenance warehouse.

The maintenance warehouse supervisor should keep all expendable supplies locked in the maintenance warehouse and storage areas whenever he is not present. In addition, the locksmith should change all of the locks in the maintenance department and the maintenance department should restrict access to the keys to the locks. Further, the maintenance department and vocational education staff should safeguard their expendable supplies by keeping all items in locked areas when staff are not using or supervising the use of these items.

Item 12.2 **The Pharmacy Cannot Account for All of Its Dangerous Drugs**

Folsom's pharmacy cannot account for all of its dangerous drugs as required by state law. The pharmacy did not have an accurate count of three of the five drugs we tested. As a result, the dangerous drugs are missing and are a potential risk to the health of inmates and prison staff who may use them. Furthermore, the missing drugs must be replaced, thus requiring Folsom to spend additional funds unnecessarily.

Audit Scope, Objectives, and Methods

To determine whether the pharmacy maintains proper control over its supply of dangerous drugs, we interviewed the chief medical officer and the pharmacist, inspected the drug storage and dispensing areas, and reviewed controls over drugs. Next, we attempted to account for the pharmacy's supply of five dangerous drugs during the period between the date the pharmacy last counted the drugs and the date of our review in November 1985. We determined whether the pharmacy dispensed the drugs during the period of our review by reviewing the pharmacist's copies of the prescriptions he filled and his records of the drugs he sent to the nurses' stations during that period. We determined whether the pharmacy still stocked the drugs by counting the drugs on hand at the pharmacy.

Analysis

The Business and Professions Code Section 4232 states that pharmacies should keep a current inventory of their stock of dangerous drugs. According to the definition in the California Administrative Code, Title 16, Section 1718, "current inventory" means complete accountability for all dangerous drugs. Dangerous drugs include legend drugs and controlled drugs. During fiscal year 1984-85, Folsom's pharmacy stored approximately 8 controlled and 151 legend drugs.

The pharmacy stored most of the controlled and highly desirable legend drugs in a locked vault and restricted access to the vault to three authorized persons. Further, it safely stored all other drugs by locking the pharmacy door. However, of the three controlled drugs in our review, the pharmacy could not account for portions of one, Tylenol with codeine. According to the pharmacy's inventory records, from September 6, 1985, to November 21, 1985, the pharmacy dispensed 1,213 tablets of Tylenol with codeine. However, we were able to locate prescriptions and records for only 1,194 of the 1,213 tablets. The missing 19 tablets represent only 1.6 percent of the 1,213 tablets that

the pharmacy dispensed during the period. However, Tylenol with codeine is a controlled substance, and because of its potential for abuse, the federal Controlled Substances Act requires complete and accurate records on every tablet dispensed. The pharmacist could not explain what happened to the 19 missing tablets. He stated that other medical staff dispense dangerous drugs in his absence and that the other staff do not always keep accurate records of the drugs they dispense. (In Item 12.4 of this chapter, we address the problem of unauthorized medical staff dispensing drugs.)

The pharmacy could not account for either of the two legend drugs (Cogentin and Benadryl) we reviewed because it does not maintain accurate records of the legend drugs it dispenses. Also, contrary to Folsom's pharmacy Policies and Procedures Manual, the medical staff in the various housing units do not always indicate the specific quantity of drugs they need when they submit requests to the pharmacy to replenish their supplies of legend drugs. Likewise, the medical staff do not maintain accurate records of the quantities of legend drugs they dispense to inmates. As a result, the pharmacy and the medical staff cannot account for all legend drugs that are dispensed from the pharmacy. During our review, the pharmacist issued a memorandum requiring the medical staff to identify, in writing, the quantity of legend drugs they require when they submit a request to the pharmacy to replenish their supplies. In addition, the chief medical officer issued a memorandum requiring the medical staff to identify, in writing, the quantities of legend drugs they dispense to inmates.

Because the pharmacy cannot completely account for all of its dangerous drugs, the drugs may not have been properly dispensed by either the pharmacy or the nurses' stations. As a result, the drugs are a potential risk to the health of inmates and prison staff who may use them. Furthermore, the unnecessary loss of drug supplies requires Folsom to spend additional funds to replenish them.

Conclusion

The pharmacy cannot account for all of its dangerous drugs. As a result, the missing drugs are a potential risk to the health of inmates and prison staff who may use them, and they are an expense to the State.

Recommendation

The pharmacy should maintain an accurate count of its dangerous drugs. The nurses' stations should identify, in writing, the quantities of drugs they request from the pharmacy and the quantities they dispense in the housing units, in accordance with the memorandums recently issued by the pharmacist and the chief medical officer.

Item 12.3 The Property Office Does Not Adequately Control Highly Desirable and Portable Property Items

The property office does not adequately control highly desirable and portable property in accordance with the State Administrative Manual (SAM). The property office neither assigns custody for such "sensitive" property to specific employees nor requires a check-out, check-in system. Further, the property office does not properly engrave all sensitive property with identification numbers and other distinguishing information. Without adequately controlling sensitive property, the property office cannot minimize the unaccountable loss, careless transfer, or theft of prison property. For example, we could not find 6 of 49 sensitive property items, which ranged in value from \$29 to \$2,155, that we attempted to locate within the prison. When property is lost or stolen, the prison must spend state funds to replace it.

Audit Scope, Objectives, and Methods

To determine whether Folsom controls its sensitive property in accordance with the SAM, we interviewed the property clerk, the senior accounting officer, and the warden. We also reviewed a sample of 49 sensitive items that Folsom purchased. To verify the prison's control over the 49 property items, we attempted to trace them to locations on the prison grounds. We did not review the prison's control of property that is not sensitive and nonexpendable.

Analysis

The State Administrative Manual establishes a special category of property, called "sensitive property," that includes both expendable and nonexpendable property items. Sensitive property items are any highly desirable and portable items such as calculators, typewriters, dictaphones, cameras, and microscopes. The SAM further states that, to maintain control over sensitive property, agencies should maintain a record of each item and assign accountability for each item to individuals. To facilitate holding individual personnel accountable for sensitive property, SAM Section 8652.4 specifies that agencies should use a check-out, check-in system that includes the name of the person to whom the item is assigned, the date assigned, and the item's location and identification number. The system thus controls the movement of property. To encourage individuals to safeguard property, the SAM requires them to immediately report any items missing from their custody. Further, the SAM allows agencies to hold individuals liable for lost property if they were negligent in safeguarding it. In addition, SAM Section 8657.1 states that agencies should consider engraving sensitive property to indicate that it belongs to the State and include the name or initials of the agency and the item's identification number. With these controls in place, agencies can minimize the unaccountable loss, careless transfer, or theft of sensitive property.

Contrary to the SAM requirements, Folsom's property office does not adequately control its sensitive property. Although the property office maintained property cards showing items' locations within the prison, it did not assign custody for the property to a particular individual. Further, none of the locations we visited had a check-out, check-in system. Therefore, no one person is held accountable for missing property. Furthermore, no one individual in each of the locations is responsible for notifying the property clerk that property is missing or has been transferred from the location. As a result, the prison could not account for 6 (12 percent) of the 49 sensitive property items we attempted to locate. The value of the 6 items ranged from \$29 to \$2,155.

One of the items we could not locate, a calculator, was inexplicably missing from the academic education building. Two other missing items were exercise bicycles that were apparently transferred to the Department of Corrections' central screening facility, which tests applicants for correctional officer positions. According to a registered nurse at the screening facility, one of the bicycles had been stolen from the facility. The other bicycle had an identification number that matched the identification number of the bicycle on Folsom's property card.

The warden stated that it is not possible to assign responsibility at some locations, such as guardtowers, to only one person because the employees change with each shift. He did agree, however, that the prison could use a system by which an employee coming on duty at such locations would sign a checklist for sensitive property such as rifles and binoculars certifying that he or she has custody of the property before relieving the employee going off duty.

In addition, the property office has not always complied with the SAM guideline for engraving sensitive property. For example, three of the six items we could not locate were binoculars. Although prison staff subsequently contacted us and stated that they had located the missing

binoculars, none of these binoculars was marked with an identification number or matched the information on the property card. Therefore, we were not able to discern whether these were the three missing pairs of binoculars.

Without establishing the controls required in the SAM, the property office cannot minimize the unaccountable loss, careless transfer, or theft of the prison's sensitive property. Consequently, the prison must spend state funds to replace missing items.

Conclusion

The property office does not adequately control sensitive property. This lack of control encourages the loss of state property and requires Folsom to spend state funds to replace missing items.

Recommendation

The property office should assign to an individual at each location throughout the prison the responsibility for sensitive property. In addition, the property office should require each individual to use a check-out, check-in system which includes the item's identification number, the person to whom the property is issued, its location, and the dates it is checked in and checked out. Individuals who are assigned responsibility for property should notify, in writing, the property clerk of any removal of property items. At locations where it is not possible to assign responsibility to one person, employees should use a system by which each employee coming on duty signs a custody checklist for property at the location before relieving the employee going off duty. The property clerk should engrave certain items that may be otherwise difficult to identify.

Item 12.4 **Unauthorized Medical Staff Are Prescribing and Dispensing Dangerous Drugs Illegally**

Some of Folsom's medical staff are prescribing and dispensing dangerous drugs even though they are not authorized to do so by state law. Consequently, the staff may be guilty of misdemeanors and may be placing inmates' health in jeopardy. Unauthorized medical staff prescribe drugs because the infirmary has a system by which, in some instances, physicians review inmates' medical files only after the staff have diagnosed and prescribed drugs to the inmates. Medical staff dispense drugs without authorization because the infirmary employs only one pharmacist, and he cannot remain on duty for all periods when a pharmacist is needed to dispense drugs.

Audit Scope, Objectives, and Methods

To determine whether only authorized staff prescribe and dispense drugs to inmates, we reviewed the medical files of 18 inmates and the pharmacist's copies of prescriptions, and we observed the pharmacy's practice of dispensing drugs. In addition, we interviewed the chief medical officer and the pharmacist.

Analysis

The Business and Professions Code Section 4036 states that only physicians, dentists, podiatrists, veterinarians, or, in certain circumstances, pharmacists, registered nurses, and physician's assistants may prescribe drugs or write prescriptions. The Business and Professions Code Section 2052 states that any person who prescribes medication without being authorized to do so is guilty of a misdemeanor. In addition, Section 4387 states that any person other than a registered pharmacist or, in certain circumstances, a physician who dispenses dangerous drugs is also guilty of a misdemeanor. Furthermore, Section 4385 states that any person who permits the dispensing of dangerous drugs by a person other than a registered

pharmacist is guilty of a misdemeanor. The code defines "dispensing" as the furnishing of drugs upon a prescription from a physician.

Unauthorized medical technical assistants at Folsom are prescribing dangerous drugs to inmates. Six of the 18 medical files we reviewed contained prescriptions written by medical technical assistants rather than by physicians. Each prescription had the notation "by verbal order of the doctor." However, according to the chief medical officer, the physicians are not always aware of the prescriptions until after the pharmacy fills the prescriptions. At that time, the physicians either approve or disapprove the prescriptions. However, the inmates may have already taken the prescribed drugs. The chief medical officer further stated that this system of prescribing drugs to inmates originally was intended only for nonprescription drugs. He said that because there were not enough physicians to handle the workload, the system allowed unauthorized medical staff to prescribe dangerous drugs to inmates. Consequently, the medical staff may be guilty of misdemeanors, and they are placing inmates' health in jeopardy if the prescriptions are inappropriate. Each of the six files we reviewed contained prescriptions, written by unauthorized medical staff, that were never approved by a physician despite the notation "by verbal order of the doctor."

At the end of our review, the chief medical officer stated that he will station his physicians in the housing units for sick call during specified periods of the day. By doing so, he intends to accomplish more physician-patient visits and ensure that only physicians prescribe dangerous drugs. He further stated that the prison would not have to hire additional physicians.

Unauthorized medical staff, including medical technical assistants and a registered nurse, are also dispensing dangerous drugs to inmates. In the pharmacist's copies of prescriptions, we identified nine prescriptions for dangerous drugs that indicated that a medical technical assistant assigned to the pharmacy dispensed the drugs to the

inmates. Furthermore, we observed the medical technical assistant dispensing dangerous drugs to inmates at the pharmacy. The major reason that medical technical assistants are dispensing dangerous drugs to inmates is that Folsom employs only one registered pharmacist, and the pharmacy is open during periods when the pharmacist is off duty. These periods include weekdays between 4 p.m. and 6 p.m., weekends, holidays, and periods when the pharmacist is on either sick leave or vacation. In budget requests for fiscal years 1985-86 and 1986-87, Folsom's chief medical officer requested an additional pharmacist position to work in the pharmacy when the current pharmacist is off duty. However, the Department of Corrections denied both of these requests.

If Department of Corrections staff knowingly permit unauthorized medical staff to dispense dangerous drugs, both Department of Corrections staff and the medical staff may be guilty of misdemeanors. Furthermore, by not having the professional skills of a registered pharmacist, the unauthorized medical staff may be placing inmates' health in jeopardy. For example, one of the files we reviewed indicated that a registered nurse dispensed a dangerous drug to an inmate earlier than the time indicated on the prescription because the inmate was complaining of pain. Folsom's chief medical officer stated that the registered nurse should not have dispensed the medication but instead should have notified either the dentist who prescribed the medication or the on-call physician because the pain may have been an indication of a serious medical problem.

Conclusion

Unauthorized medical staff are prescribing and dispensing dangerous drugs. Consequently, prison medical staff and Department of Corrections staff may be guilty of misdemeanors and may be placing inmates' health in jeopardy.

Recommendation

The chief medical officer should ensure that only persons authorized by law prescribe and dispense dangerous drugs to inmates.

The Department of Corrections should initiate measures to ensure that only a registered pharmacist dispenses dangerous drugs to inmates.

CHAPTER XIII
ASSIGNING STAFF

Folsom does not always plan effectively for all of its staffing requirements. Specifically, Folsom does not have sufficient staff to relieve custody personnel on sick and military leave and to staff a security housing unit. As a result, Folsom requires its custody personnel to work extensive overtime to fill the posts of persons on sick and military leave. Because this overtime is more expensive than regular full-time employee salary and benefits, Folsom could hire 44 additional full-time personnel for relief positions in lieu of paying overtime and still save a minimum of \$93,300 a year. This savings excludes one-time training costs for new employees. In addition, because some of Folsom's custody personnel have been working as many as ten 16-hour shifts per month, they may be fatigued, which can affect the safety of staff and inmates and the security of the prison.

Further, some Folsom employees are working out of their job classifications in violation of State Personnel Board rules and state law. As a result, these employees may not be adequately trained for the duties they are performing. Further, the State is incurring unnecessary costs when employees are performing the duties appropriate to job classifications that pay a lower salary. Finally, Folsom supervisors do not comply with state and Department of Corrections requirements concerning the duration, rotation, and reporting of acting assignments. At least 9 of the 32 acting assignments we identified at Folsom between January 1984 and June 1985 lasted beyond the 60-day period allowed. As a result, some employees are working out of their class in violation of state law.

Background

Folsom is authorized approximately 832 positions, 598 of which are for custody staff. For fiscal year 1984-85, Folsom's budget for all

salaries and wages was \$22.3 million, including \$1.2 million for overtime. Folsom uses extensive overtime to ensure coverage at all posts, some of which require continuous coverage, and to deal with special staffing assignments. Folsom personnel worked overtime primarily to relieve custody personnel on sick and military leave, to deal with emergency situations, and to transport and guard inmates who required hospitalization. Despite its \$1.2 million budget for all categories of overtime, the prison spent \$4,986,800 for 211,714 overtime hours for all staff in fiscal year 1984-85, or four times the budgeted amount.

Folsom employees hold positions within the state civil service system, which groups positions into job classifications. A job classification is a group of positions with similar duties and responsibilities that require substantially the same minimum qualifications. For each job classification, the State Personnel Board has adopted an official description, called a class specification, of the definition, duties, responsibilities, and qualification requirements of the classification. There are over 3,000 job classifications in the state civil service system. According to state law, departments may not assign employees to work out-of-class by assigning them duties and responsibilities that are not consistent with the duties and responsibilities of their job classification.

The Department of Corrections' Administrative Manual permits supervisors to temporarily assign an employee to a vacant position that is normally held by an employee in a different job classification. Supervisors can make these "acting" assignments if the duration of the assignment is so short that an appointment from an eligible list is not appropriate or so that several employees may receive training by being assigned to the vacant position for short periods. However, to avoid out-of-class work assignments for employees, supervisors should not make acting assignments that continue beyond 60 days. Supervisors should fill longer vacancies by making consecutive short-term assignments to the position, making limited-term appointments, or using

training assignments. The Department of Corrections also requires Folsom to document any acting assignment that exceeds 60 days and to indicate the exact dates of the assignment, the duties the employee performed, and the reasons for the acting assignment.

Item 13.1 **Folsom Does Not Cost-Effectively Plan for All Staffing Requirements**

Folsom does not always cost-effectively plan for all of its staffing requirements. Folsom does not have sufficient staff to relieve custody personnel on sick and military leave and to staff a security housing unit. As a result, Folsom requires its custody personnel to work extensive overtime to fill the posts of persons on sick and military leave. Instead of paying for this overtime, which is more expensive than full-time employee salary and benefits, Folsom could hire 44 additional full-time personnel for relief positions in lieu of paying overtime and still save a minimum of \$93,300 a year. This savings excludes one-time training costs for new employees. In addition, because some of Folsom's custody personnel have been working as many as ten 16-hour shifts per month, they may be fatigued, which can affect the safety of staff and inmates and the security of the prison.

Audit Scope, Objectives, and Methods

To determine whether Folsom cost-effectively plans for sick and military relief positions, we identified the number of correctional officers, sergeants, and lieutenants at Folsom, their assigned positions, and the reasons that Folsom's custody personnel worked overtime. We also reviewed the reports of overtime hours and overtime expenditures for fiscal years 1983-84 and 1984-85 and reviewed Folsom's assignment of overtime for each day and each watch for July through November 1985. Finally, we compared the cost of overtime with the cost of salaries and benefits for full-time personnel. We did not analyze

all of the prison's full-time staffing requirements or the specific justification for all overtime assignments at Folsom.*

Analysis

Overtime should be avoided unless it cannot be anticipated or unless it is a relatively small portion of an organization's salary expenditures and is sufficiently intermittent to preclude the hiring of a full-time employee. Although Folsom's custody personnel worked overtime to perform duties for such unanticipated situations as providing coverage during disturbances and transporting and guarding inmates who require hospitalization, they also worked overtime to cover more predictable occurrences such as sick and military leave. Based on available historical sick and military leave data, without assigning overtime, Folsom does not have a sufficient number of staff to fill in for or relieve the number of staff who take sick and military leave. In the past two fiscal years, Folsom spent a total of \$2.7 million on overtime to cover sick and military leave.

We reviewed the prison's sick leave and military leave records for the past two fiscal years and determined that the average number of overtime hours worked per month by custody personnel was 7,519. This is the equivalent of 43 full-time custody positions. Further, in no month was the number of overtime hours for sick and military leave less than 5,575, which equals 32 full-time custody positions.

In addition, we analyzed all overtime hours that custody personnel worked for each watch during July through November 1985. We determined that 96.5 percent of the time, no fewer than 27 Folsom custody

*Our consultant evaluated the adequacy of Folsom's current security (custody) staffing for each of its authorized posts. The consultant did not analyze the actual overtime that custody personnel worked to fill those posts. Therefore, the reader should consider the analysis from each report separately.

personnel worked a full eight-hour overtime shift each day: 5 on the first watch, 14 on the second watch, and 8 on the third watch. Not all of the 27 personnel worked each day just to provide relief for employees on sick and military leave; they sometimes performed other additional overtime duties such as transporting and guarding hospitalized inmates. The Department of Corrections computes the number of full-time personnel it needs by multiplying the number of positions needed each day by a factor of 1.64 to take into account vacations, days off, and sick leave for these positions. Therefore, we calculated that Folsom would have to hire 44 full-time personnel to substitute for overtime relief each day for the 27 positions.

The one-year cost of hiring the 44 full-time personnel is approximately \$1,525,900. We calculated this cost based on entry-level salary and benefits, including uniform allowances. (This cost does not include the one-time cost of the salaries and benefits, approximately \$150,000, for these new staff while they are being trained. The total also does not include the cost of administering the training.) In comparison, the cost of paying overtime to 27 personnel is approximately \$1,619,200 a year, \$93,300 more than the cost of hiring 44 new staff. We calculated this cost using the average hourly overtime wages paid by Folsom during fiscal year 1984-85. Employees working overtime receive 1.5 times their base hourly wage, plus meal and mileage allowances. We then adjusted the average hourly overtime wage upward by 5 percent to include a salary raise in July 1985. We included the average hourly cost of overtime meals but excluded overtime mileage because the prison did not keep discrete data on it. We deducted the overtime cost of the personnel who would not be required to work overtime 3.5 percent of the time. Because our analysis of past data determined that the overtime for at least 27 positions was predictable and that paying for such overtime hours is more expensive than hiring full-time employees, Folsom could have justified the hiring of up to 44 full-time employees and demonstrated a cost savings of at least \$93,300 by doing so.

Besides being costly, extensive overtime can jeopardize the safety of inmates and staff and the security of the prison. Folsom requires its custody personnel to work many hours of overtime and some of these hours result in double shifts (16 continuous hours of work). For example, we sampled the attendance records of personnel who worked overtime during the months of October 1984 and April 1985 and found that a total of 28 custody personnel worked 174 double shifts. This represents an average of 6 double shifts for each person out of 22 possible shifts per month. Moreover, 6 custody personnel worked 10 or more double shifts per month in these months. According to safety experts, prison custody personnel who work a large number of double shifts may be working while fatigued, which can diminish their performance and ultimately affect the safety of inmates and staff and the security of the prison. Folsom's warden also acknowledged that staff become fatigued when the prison requires them to work extensive overtime. He also believes that such overtime causes some personnel to take more sick leave, thus perpetuating the need for overtime to relieve employees taking sick leave.

Folsom does not have sufficient staff to relieve personnel who take sick and military leave because the Business Services Division has not sufficiently analyzed the prison's personnel needs to justify a request for relief positions. According to Folsom's business services manager, Folsom requested positions to staff an expanded security housing unit (SHU), but the prison did not request additional relief positions for sick and military leave. During fiscal year 1984-85, Folsom's budget included 14 full-time positions for sick leave relief. However, for the fiscal year 1985-86 budget, the Department of Corrections decided to eliminate all sick leave relief positions and to pay overtime instead. The Department of Corrections made this decision because some prisons had encountered problems in scheduling relief positions by shift. However, neither Folsom nor the Department of Corrections analyzed overtime by shift, as we did, before the Department of Corrections made its decision. Consequently, Folsom will spend more money for overtime in fiscal year 1985-86 than it would have for full-time relief positions.

According to the associate warden for custody, Folsom personnel also work overtime because Folsom does not have the positions it needs to staff a SHU. During fiscal years 1983-84 and 1984-85, Folsom periodically converted one-half of a building to a SHU for approximately 300 inmates to segregate these inmates from the prison's general population. Since May 1985, Folsom has continuously used all of this building for a SHU and permanently assigned 23 additional regular and 9 additional relief personnel to the SHU. However, according to the personnel lieutenant, Folsom had no authorized positions for these personnel. As a result, Folsom has required other custody personnel to work overtime to replace the staff assigned to the SHU.

Corrective Action

Folsom has taken some steps to reduce the number of overtime hours being worked by custody personnel.

In May 1985, Folsom requested positions to staff the expanded SHU. In November and December 1985, the Department of Finance approved 31 of the 44 positions requested by the Department of Corrections. According to Folsom's personnel office, the new personnel had not been hired at the time of our review. Therefore, we were unable to analyze the effect of this additional staffing on the overtime being worked at Folsom.

Folsom has also started to hire and train permanent-intermittent personnel, that is, employees who work periodically on an hourly basis to fill assignments of personnel on leave. For example, Folsom hired six permanent-intermittent personnel in November 1985 and expected to hire an additional 40 permanent-intermittent personnel during December 1985. According to Folsom's associate warden for business services, Folsom does not plan to maintain an established number of permanent-intermittent personnel. Although the permanent-intermittent personnel will reduce the number of overtime hours worked by Folsom's

full-time personnel, the use of permanent-intermittent personnel may not be cost-effective. If the permanent-intermittent personnel work at least 480 hours in a six-month period, they will be entitled to the same benefits as a permanent full-time employee.

Conclusion

Folsom does not always cost-effectively plan for all of its staffing requirements. In fiscal years 1983-84 and 1984-85, Folsom did not have sufficient custody staff to relieve personnel on sick and military leave and to staff an expanded security housing unit. Consequently, Folsom required its staff to work overtime at a higher yearly cost than the cost of hiring additional staff to relieve staff on sick and military leave. Also, the safety of staff and the security of the prison can be jeopardized because Folsom custody staff may be fatigued by the large number of overtime hours they work.

Recommendation

Folsom should assess its need for staff to fill at least a minimum number of sick and military leave relief positions. Folsom should analyze, by shift, its historical needs for these categories of relief, and it should consider the effect on overtime of new personnel hired for the expanded SHU. Folsom should compare the costs and benefits of hiring full-time personnel with the cost of hiring permanent-intermittent staff. If Folsom determines that permanent-intermittent staff are economical, Folsom should establish a plan by May 10, 1986, to maintain an established number of permanent-intermittent staff available for relief assignments.

Item 13.2 Folsom Is Not Complying With State Personnel Board Rules
Requiring All Employees To Work Within Their Job
Classifications

Some employees at Folsom are working out of their job classifications in violation of State Personnel Board rules and state law. As a result, these employees may not be adequately trained for the duties they are performing. Further, the State is incurring unnecessary costs when employees are performing the duties appropriate to job classifications that pay a lower salary. For example, two correctional officers were performing the duties appropriate to clerical employees at an additional cost to the State of \$1,496 per month. The prison administration has not made supervisors responsible for assigning subordinates duties that are within their job classifications. Also, the associate warden for business services does not review the prison's organization chart to ensure that supervisors are actually supervising other employees. Finally, the Department of Corrections has not conducted audits of employee duties at Folsom to ensure that employees are working within State Personnel Board job classifications.

Audit Scope, Objectives, and Methods

To determine whether employees are performing duties consistent with their job classifications, we selected a sample of 21 employees in 16 job classifications out of the approximately 850 full-time and part-time employees in 120 job classifications at the prison. Our sample included employees in supervisory classifications and employees in nonsupervisory classifications. We reviewed State Personnel Board laws and rules, obtained class specifications and employee duty statements, and interviewed each employee in the sample. Finally, we reviewed the results of our survey with the Department of Personnel Administration to verify our analysis.

Analysis

The Government Code, Section 18800, empowers the State Personnel Board to establish and adjust classes of positions in the state civil service. Each class must include a descriptive title that outlines the scope of duties and responsibilities for each class of positions. A class of positions is a job classification. The State Personnel Board assigns positions to a job classification, and under Government Code Section 19818.8, state agencies may not assign anyone to work out-of-class.

Some employees at Folsom are working out of their job classifications. In our sample of 21 employees, 6 were performing duties that were out of their job classifications. In two instances, correctional officers were performing general office work, such as recordkeeping or payroll duties. One officer was performing general office work more than 70 percent of the time, the other 75 percent of the time. The class specifications for correctional officers permit them to perform noncustody duties only as a minor part of their custody assignment. According to an analyst for the Department of Personnel Administration, the work these two officers were performing is appropriate to the job classification of office assistant II.

In another instance, a supervisory employee was spending almost all of his working time doing planning for maintenance projects. He was not supervising any other staff. According to the Department of Personnel Administration, supervisory staff should typically be supervising at least three employees. Since our review, however, the chief of plant operations has assigned this supervisor to supervise the work of three other employees. Therefore, he is no longer working out-of-class.

A fourth employee, a butcher-meat cutter II, was spending about 30 percent of his time supervising the storage and distribution of surplus federal foods that are located in close proximity to the butcher shop. Supervising the storage and distribution of nonmeat food

items is not part of the duties of a butcher-meat cutter, according to the specifications for that class. Since our survey of this position, the food services manager has taken corrective action by assigning a supervising cook I to oversee the surplus food stores.

At the time of our audit, a fifth employee, a warehouse manager II, was spending approximately 40 percent of his time picking up and delivering items in the City of Sacramento and taking the inventory of the canteen, a store for inmates. His office was located in the procurement office on the opposite side of the prison from his assigned warehouse. Making trips to Sacramento and taking inventory of the canteen do not fall within the duties of a warehouse manager II. Since our review, the business manager has initiated corrective action by changing the duties of the warehouse manager II and relocating his office from the procurement office to the warehouse. According to the business manager, the warehouse manager II will no longer take inventory of the canteen, and he will no longer make trips to Sacramento.

The sixth out-of-class employee in our sample is an accounting officer (supervisor). According to our analysis, this employee appears to be performing duties consistent with the State Personnel Board's specifications for the job classification. Folsom also has an employee in the classification of senior accounting officer (supervisor). However, an analyst for the Department of Personnel Administration told us that the Department of Personnel Administration would consider this employee working out-of-class because an institution the size of Folsom is too small to merit having both an accounting officer (supervisor) and a senior accounting officer (supervisor). Therefore, the accounting officer (supervisor) is an out-of-class position. Currently, both the Department of Corrections and the associate warden for business services at Folsom are seeking approval from the Department of Personnel Administration for using both classifications at Folsom. Also, the Department of Personnel Administration is currently studying the use of the professional accounting classes, such

as senior accounting officer (supervisor) and accounting officer (supervisor), in state service.

Employees who work out-of-class may not have the appropriate experience and training for the duties they perform. For example, in our review of the butcher shop (see Item 6.1), we found that the butcher-meat cutter II did not maintain proper controls over the federal surplus stores. As a result, unauthorized inmates have had access to the stores and have removed food items from those stores. In addition, the State incurs unnecessary salary expenses when employees work out-of-class. For example, the two correctional officers who were working out-of-class in our sample earned \$2,127 and \$2,227 per month, respectively. Office assistant IIs at pay steps comparable to those of the correctional officers would earn \$1,375 and \$1,483 per month, respectively. Thus, the State is unnecessarily paying \$1,496 per month for the out-of-class services of the correctional officers.

Folsom could prevent out-of-class assignments by making administrators responsible for appropriate assignments and by conducting routine audits. The prison administration has not made a specific level of administrators responsible for working their subordinates within their job classifications. Also, the associate warden for business services is not reviewing Folsom's organizational chart. Each December, the associate warden for business services must submit to the Department of Corrections an organizational chart for Folsom. According to the Department of Corrections' personnel analyst for Folsom, the Business Services Division at each institution should review its organizational charts to ensure that supervisors are, at a minimum, actually responsible for supervising employees. However, he also stated that the Department of Corrections' analysts should audit the institutions periodically to ensure that employees are not working out-of-class. According to the associate warden for business services, the Department of Corrections has not done any classification audits at Folsom recently.

Another reason that the Business Services Division does not monitor out-of-class work is that the prison has no professional personnel staff assigned to it. The Department of Corrections is requesting the addition of an associate personnel analyst at Folsom in the Governor's 1986-87 budget. Also, in a review of personnel offices at prisons completed in October 1985, the State Personnel Board recommended that each institution should have a professional personnel staff person.

Conclusion

Some employees at Folsom are working out of their job classifications in violation of State Personnel Board rules and state law. As a result, these employees may not be adequately trained for the duties they are performing. Further, the State is incurring unnecessary costs when employees are performing the duties appropriate to job classifications that pay a lower salary.

Recommendation

Folsom should initiate measures to ensure that supervisors are working their employees within their job classifications. Also, the associate warden for business services should review the organization chart and periodically monitor employee staffing to ensure that supervisors are supervising at least three employees. The Department of Corrections should periodically conduct audits of positions to ensure that employees are performing duties consistent with State Personnel Board specified job classifications.

Item 13.3 Folsom Supervisors Do Not Comply With State and Departmental Requirements Concerning the Duration, Rotation, and Reporting of Acting Assignments

Folsom supervisors do not comply with state and departmental requirements concerning the duration, rotation, and reporting of "acting" assignments. At least 9 of the 32 acting assignments we

identified at Folsom between January 1984 and June 1985 lasted beyond the 60-day period allowed. We identified only one case in which supervisors rotated assignments to the same position. Further, supervisors do not maintain the required documentation of acting assignments that last over 60 days. Because the warden does not require supervisors to record when acting assignments begin or how long they last, division heads do not always monitor the use of such assignments within their divisions. As a result, some employees are working out-of-class in violation of state law.

Audit Scope, Objectives, and Methods

To determine whether Folsom complies with regulations concerning the duration of acting assignments, we compiled a list of vacancies lasting longer than one month. We reviewed the Custody Division's acting assignments file, monthly affirmative action statistical reports, and the personnel office's files to determine whether each vacancy was filled by an individual on an acting assignment, to determine whether the assignment was rotated among interested employees, and to determine the duration of each acting assignment. From these sources, we identified 32 acting assignments between January 1984 and June 1985.

Because Folsom supervisors do not always keep adequate documentation for acting assignments, we did not determine whether supervisors invited interested and eligible employees to apply for acting assignments.

Analysis

The Government Code Section 19818.8 specifies that a person shall not be assigned to perform the duties of any class other than that to which his or her position is allocated. However, the California Administrative Code, Title 2, Section 302.3, permits state agencies to make emergency acting appointments for periods of 20 to 60 days to meet

specifically identified and reasonable operating needs that can not be met through the use of other civil service or administrative alternatives.

The Department of Corrections' Administrative Manual Section 2137 permits supervisors to temporarily assign an employee to act in a capacity other than his or her classification. It specifies that supervisors can make acting assignments if the duration of the assignment is so short that an appointment from a list of individuals eligible to be permanently appointed to the position is not appropriate. Acting assignments can also be made so that several employees may receive training by being given the assignment for short periods.

Department of Corrections policy specifies that acting assignments should not continue beyond 60 days to avoid placing employees in out-of-class work assignments. Supervisors should fill longer vacancies by rotating the acting assignments among different employees, making limited term appointments, or using training assignments. The Department of Corrections also requires Folsom to report any acting assignment that exceeds 60 days and to indicate the exact dates of the assignment, the duties the employee performed, and the reasons for the acting assignment.

Because supervisors at Folsom are not keeping complete records of all acting assignments, it is difficult to determine the exact number of acting assignments. We were able to identify only 32 acting assignments that Folsom made between January 1984 and June 1985. However, records show the starting and ending dates for only 18 (56 percent) of these 32 assignments. Of the 18, 9 employees (50 percent) served in acting assignments from 64 to 92 days. Another 8 employees (44 percent) terminated their acting assignments within 60 days because they were promoted to a position of the same job class that they held in the acting assignment. One employee terminated his assignment within 60 days to return to his former position.

The personnel office did not have records on the duration of the 14 other acting assignments. By examining monthly affirmative action statistical reports and forms that record the initiation of acting assignments, reviewing hiring records, and conducting interviews, we were able to estimate the duration of six of these assignments. We estimate that three assignments lasted less than 60 days, and three may have lasted over 70 days. According to the warden's secretary and one of the employees who served in these last three assignments, the acting assignments lasted for the entire period that each position was vacant: 74 days, 77 days, and 204 days, respectively.

In total, we were able to determine or estimate the duration of 24 of the 32 acting assignments at Folsom between January 1984 and June 1985. As many as 12 (50 percent) of these 24 acting assignments may have lasted over 60 days. Nine (28 percent) of the 32 acting assignments we identified may have lasted over 65 days. For these nine assignments, supervisors did not rotate the assignments among interested candidates. We found evidence in only one of the 32 assignments that the supervisor rotated the assignment among different employees. In this case, two correctional officers served in consecutive acting assignments to fill a vacant position as an arts and crafts teacher.

Because supervisors fail to monitor and rotate acting assignments, 12 (38 percent) of the 32 employees in our sample could have worked out-of-class in violation of state law by remaining in acting assignments over 60 days. Current union contracts require employees to receive increased compensation when they are assigned to work at a higher class. Therefore, the State may incur higher costs for salaries if employees remain in acting assignments of a higher classification for more than 15 days. Also, without adequate documentation of acting assignments, the Department of Corrections cannot ensure that Folsom fills vacancies by making permanent appointments promptly. In addition, by keeping employees in acting assignments for long periods, Folsom denies other employees the opportunity to gain experience to prepare for promotional examinations.

Folsom's standard form to report acting assignments has space to record who has accepted an acting assignment, the intended duration, and the reason for the assignment. It does not provide space to record the duties performed. Also, Folsom supervisors do not update the forms to indicate the actual termination date of the assignment. Without this information, division heads are limited in their ability either to ensure compliance with departmental policy or to determine when an employee is working out-of-class in an acting assignment.

According to the correctional captain, supervisors may unintentionally leave employees in acting assignments because they do not realize that the assignment has exceeded 60 days, or they may decide to keep the employee in the assignment because the employee possesses specific skills or experience required for the position.

Conclusion

Folsom does not comply with state and departmental criteria concerning the duration, rotation, or reporting of acting assignments. Twelve of the 32 acting assignments we identified at Folsom between January 1984 and June 1985 may have lasted beyond the 60-day period that the law allows. We identified only one instance in which a supervisor made two consecutive acting assignments to the same position, thereby preventing an acting assignment from lasting over 60 days. Further, Folsom does not maintain the required documentation for acting assignments that last over 60 days. As a result, some employees are working out-of-class in violation of state law.

Recommendation

To avoid out-of-class work assignments, the warden should require Folsom supervisors to comply with departmental regulations by terminating acting assignments within 60 days, rotating acting assignments, or using limited term appointments when vacancies exceed 60 days. The warden should require supervisors to record and document all acting assignments in compliance with departmental policy.

CHAPTER XIV
TRAINING EMPLOYEES AND
EVALUATING THEIR PERFORMANCE

Folsom employees are not receiving the amount and type of training that Department of Corrections regulations require. Twenty-nine of the 36 employees in our sample did not receive the required amount of training and 4 of 15 employees did not receive specialized training as required. As a result, some Folsom employees may not have performed their duties as proficiently as they would have if they had received the required training. Additionally, supervisors' annual performance appraisals of employees do not always appear to provide an accurate evaluation of job performance. Even employees whose performance caused the prison to file adverse actions against them subsequently received good performance appraisals, and supervisors recommended merit salary adjustments for these employees. As a result, supervisors appear to be recommending merit salary adjustments for undeserving employees. Finally, the warden appears to follow Department of Corrections regulations for processing adverse actions to discipline employees.

Background

The Department of Corrections requires employees to receive training annually. Employees can satisfy this requirement by taking training through Folsom's in-service training office, through on-the-job training, through the Department of Corrections' correctional training center, or through out-service training such as classes offered through the University of California. In fiscal year 1984-85, Folsom's in-service training office offered training courses that cost approximately \$200,000.

The California Administrative Code requires employers to complete an annual evaluation of the performance of each employee. These evaluations, known as performance appraisals, are supposed to reflect

accurately the employee's job performance. Supervisors rate employees on nine factors that relate to work habits and quality of work, using the following rating system: I, needs to improve; M, meets standards; and, E, exceeds standards. The in-service training office determines whether employees have received the required amount of training and rates them accordingly.

Employees in state service are eligible for salary increases within their job classifications. These increases, known as merit salary adjustments, average five percent. Supervisors are supposed to consider employees' annual performance appraisals when determining whether to recommend a merit salary adjustment.

Folsom employees who commit offenses that are defined in Government Code Section 19572 are subject to discipline. The range of offenses includes neglect of duty, immorality, and unlawful discrimination. The Department of Corrections may discipline an employee by filing an adverse action, which can include a letter of reprimand in the employee's personnel file, reduction in pay, suspension for a specified period of time, or dismissal from state service. In fiscal year 1984-85, Folsom initiated 35 adverse actions against 31 employees.

Item 14.1 **Folsom Employees Are Not Receiving Sufficient Training**

Folsom employees are not receiving the amount and type of training that Department of Corrections regulations require. Twenty-nine (81 percent) of the 36 employees in our sample did not receive the required amount of training. Four (27 percent) of the 15 employees who are required to have specialized training, did not take any specialized courses during a 12-month period we examined. One reason employees do not receive the correct amount and type of training is that neither supervisors nor the training manager follow Department of Corrections regulations in planning training courses. Additionally, according to the training manager, supervisors do not document the on-the-job training they provide to their subordinates. Also, according to three

supervisors, the in-service training office does not offer courses that their employees need. As a result of insufficient training, some Folsom employees may not be performing their duties proficiently and may be reducing the effectiveness of prison programs and endangering the health and safety of prison staff, inmates, and the public.

Audit Scope, Objectives, and Methods

To determine whether Folsom employees are receiving the amount and type of training that Department of Corrections regulations require, we reviewed Department of Corrections regulations, selected a random sample of 36 employees, and reviewed the training records of these employees for the most recent 12-month period that includes the date of their appointment to their current position. We also interviewed Folsom's in-service training office staff, reviewed the office's procedures to plan, budget, and monitor training, sent questionnaires to the 36 employees in our sample, and interviewed Folsom department heads and supervisors.

Analysis

Training for employees of state agencies is vital to the efficient and effective operation of state programs. A well-trained staff is especially important in a correctional institution, where the health and safety of employees, inmates, and the public is at risk. To further the knowledge and skills that correctional employees need to carry out effective custody programs, the Department of Corrections requires its employees to complete a specified number of hours of training annually.

The Department of Corrections' Administrative Manual specifies that all correctional officers must take 120 hours of training during the first year of employment and 40 hours annually thereafter. All support staff who come into daily contact with inmates must take 40 hours of training annually; employees who do not come into regular contact with

inmates must take 16 hours of training annually. Further, all professional and supervisory staff must take 40 hours of training annually.

Folsom employees are not receiving the amount of training that Department of Corrections regulations require. The 36 employees in our sample were short an average of 11.3 hours in meeting their training-hour requirements for the 12-month periods we reviewed. Twenty-nine (81 percent) of 36 employees failed to receive the hours of training that Department of Corrections regulations require, and 12 (33 percent) of the 36 employees received less than 50 percent of their required training.

The Department of Corrections' Administrative Manual also requires that all employees meet a portion of their training requirement by completing eight hours of formal in-service classroom training. Four (11 percent) of the 36 employees failed to attend at least eight hours of formal in-service classroom training.

Additionally, new employees must take 40 hours of orientation at the prison before they start a job assignment. Seven employees in our sample were new Folsom employees. However, according to the training records, three (43 percent) of the seven employees did not take the required orientation.

The Department of Corrections requires certain employees to take specialized training. For example, the Department of Corrections' Administrative Manual specifies that employees who work with inmates in disciplinary detention are to take specialized training classes such as crime scene preservation. The manual also requires new supervisors to complete 40 hours of training in basic supervision within one year of their promotion. Further, the Department of Corrections' Classification Manual requires supervisors of employees who regularly supervise inmates to complete specialized training in skills such as disciplining inmates. In addition, members of the special emergency response team must also take specialized training.

Employees at Folsom are not receiving the specialized training that Department of Corrections regulations require. Fifteen of the employees in our sample are required to take specialized training. These employees include supervisors, security housing unit (SHU) officers, and special emergency response team members. However, 4 (27 percent) of the 15 did not take any specialized courses during the periods we reviewed. According to the training records of these employees, 3 (43 percent) of the 7 supervisors in the sample did not take the required course in basic supervision. Finally, one (14 percent) of the 7 officers assigned to the SHU failed to take any specialized courses required for SHU officers.

One reason that employees at Folsom may not receive the amount and type of training that Department of Corrections regulations require is that the training manager does not plan course offerings in accordance with Department of Corrections requirements. The Department of Corrections' Administrative Manual stipulates that supervisors will help develop individual training plans for their subordinates. These plans are to include an annual training agreement between the employee and the supervisor. The agreement should list the courses that the employee will take during the year. The employee and his supervisor are to select the courses from a catalog that the training manager provides. The training manager should then use the training agreement to develop and implement training programs that meet the identified needs of all employees.

Despite Department of Corrections requirements, supervisors do not complete annual training agreements with their subordinates. Also, Folsom's training office does not have a catalog of courses that supervisors and employees can use for completing annual training agreements. Because supervisors and employees do not complete annual training agreements, the training manager cannot as easily identify the training needs of Folsom employees and plan the training program.

To help the training manager plan the training program, the Department of Corrections' Administrative Manual requires that Folsom establish a training advisory committee that meets at least quarterly. This committee is to review Folsom's annual training plan and suggest to the training manager courses the training program should offer employees. The training advisory committee is to be composed of representatives from Folsom divisions and departments such as the Business Services Division and the Medical Department. Folsom has a training advisory committee, but it has not met regularly during the past two years. Further, only about one-half of the representatives that Folsom identified as committee members attended meetings in 1985.

According to the training manager, one reason employees do not receive the amount and type of training that Department of Corrections regulations require is that the two previous wardens did not place much importance on training. He stated that the division heads must emphasize the importance of training if supervisors are to support the training program.

Further, the training manager said that employees may receive more training than their records indicate. The Department of Corrections' Administrative Manual requires the training office to maintain records of employee training activities and provide supervisors with forms to document on-the-job training that supervisors provide to employees. According to the training manager, however, supervisors do not always complete the forms. For example, the coordinator for the Inmate Work/Training Incentive Program stated that he meets quarterly with supervisors of inmates to discuss problems related to the program's performance. Although he considers these meetings to provide on-the-job training, he does not complete the on-the-job training forms.

According to three noncustody supervisors, another reason that employees do not get their required training is that the training office provides few courses for their employees. Further, 5 of the 12

employees in our sample told us that they believed the training office should offer more courses on such noncustody topics as accounting, legal processes, and leadership training. Even though supervisors stated that the training office does not offer courses for their subordinates, they also stated that the training office has cooperated with them whenever they have requested specific courses for their employees.

Finally, the Department of Corrections' Classification Manual requires the training manager to offer specialized classroom courses for employees who supervise inmates. Folsom has not offered such courses because the training manager was not aware of this requirement. We noted that the training section of the Department of Corrections' Administrative Manual, which is the training manager's primary guide, does not make reference to the training requirements in the Classification Manual.

Because Folsom employees are not receiving the amount and type of training that the Department of Corrections requires, some Folsom employees may not be as proficient as they could be in performing their duties. Moreover, lack of training for staff who come into frequent contact with inmates could contribute to inappropriate responses to emergencies such as assaults and escape attempts, which endanger the health and safety of employees, inmates, and the public.

Conclusion

Folsom employees are not receiving the amount and type of training that the Department of Corrections regulations require. As a result of insufficient training, Folsom employees may not be performing their duties proficiently and may be reducing the effectiveness and efficiency of prison operations and programs and endangering the health and safety of the employees, the inmates, and the public.

Recommendation

The warden should direct all staff to obtain the amount and type of training that Department of Corrections regulations require. Also, the warden should require supervisors to follow Department of Corrections regulations for completing annual training agreements with their employees. Supervisors should forward the training agreements to the training manager, who should use these agreements to develop and present courses that employees need. The warden should also direct supervisors to submit written requests to the training office for courses that their subordinates need. Finally, the warden should require representatives to the training advisory committee to attend the committee's quarterly meetings. The committee should take an active role in planning the courses that the training program offers.

The training manager should compile a catalog of all in-service training courses and distribute the catalog to all supervisors.

The Department of Corrections should review all of its manuals and include any training requirements in a single training document.

Item 14.2 Employee Evaluations Are Not Always Accurate and Prompt

Performance appraisals do not always appear to provide an accurate evaluation of employees' job performance. Even employees whose performance caused the prison to file adverse actions against them subsequently received good performance appraisals. Supervisors also recommended granting merit salary adjustments to these employees. As a result, the State is paying inappropriately higher salaries by granting merit salary adjustments to undeserving employees. In addition, supervisors do not complete the appraisals promptly. Consequently, employees do not receive prompt formal recognition for effective performance or guidance to correct aspects of performance that need improvement.

Audit Scope, Objectives, and Methods

To determine whether performance appraisals provide an accurate evaluation of employees' performance, we selected a sample of 12 employees who had received disciplinary adverse actions. We reviewed the performance appraisal completed after the disciplinary action for each of the 12 employees to determine if the performance appraisals reflected this evidence of poor performance. We also determined whether employees who had received disciplinary actions subsequently received merit salary adjustments.

To determine whether Folsom supervisors comply with due dates for submitting employee performance appraisals, we selected a random sample of 38 employees and compared the date the supervisor signed the most recent performance appraisal with the due date for the appraisal. To determine whether supervisors comply with state regulations to complete performance appraisals annually, we calculated the interval between the two most recent performance appraisals for 19 employees in our sample who had been employed at Folsom for more than 12 months and who were not required to have an appraisal less than 12 months before the most recent due date. We then computed the average interval.

Analysis

The California Administrative Code requires annual performance appraisals of each state employee. These appraisals should provide recognition for effective performance and identify aspects of an employee's performance that need improvement. The Government Code requires that performance appraisals provide an accurate evaluation of the employee's job performance, that supervisors consider performance appraisals when determining salary increases, and that departments grant employees a merit salary adjustment during each year when the employee meets the standards of efficiency the position requires. According to the California Administrative Code, only employees who are not paid at the maximum step of their salary range are eligible to

receive merit salary adjustments. The Department of Corrections' Administrative Manual stipulates that merit salary adjustments depend on job performance.

Performance appraisals do not appear to provide accurate evaluations of Folsom employees' job performance. Adverse actions provide evidence of poor performance, and performance appraisals should identify aspects of performance the employee could improve. We reviewed the personnel records of 11 of the 31 employees who received adverse actions during fiscal year 1984-85 and one employee who received a letter of instruction, a less serious form of discipline. Four (33 percent) of these 12 employees had received performance appraisals after they received their adverse actions. None of the supervisors rated the employees' job performance as poor, nor did they mention either the incident that led to the disciplinary action or the disciplinary action itself. Supervisors rated all 4 employees as either "meeting standards" or "exceeding standards" for all factors. One of the two employees who, according to his evaluation, exceeded standards received an adverse action in August 1984 for inefficiency and inexcusable neglect of duty. In November 1984, when his supervisor rated his performance for the year, the supervisor commented that the employee's performance was "outstanding in all areas." The supervisor commended this employee for his professionalism, dedication to the job, and the high caliber of his performance.

Six of the 12 employees in the sample were eligible for merit salary adjustments during the period when they received a disciplinary adverse action. Supervisors recommended that all 6 receive merit salary adjustments. One employee received an adverse action during the year, and he had not had a performance appraisal for two years; nevertheless, the employee received a merit salary adjustment. Five of the other 6 employees were already at the top step of their salary range and could not receive a merit salary adjustment, and the last employee received the adverse action after the current merit salary adjustment had already been granted.

According to Folsom's employee relations officer, the warden does not require supervisors to review employees' personnel records or consider disciplinary actions when completing performance appraisals or making merit salary adjustment recommendations. According to the employee relations officer and five supervisors we interviewed, supervisors do not routinely review an employee's personnel file before completing the annual performance appraisal. Instead, they rely on their recollections of the employee's performance.

Folsom supervisors may not believe that performance appraisals are important. One supervisor said that performance appraisals do not appear to affect promotions. She said that, although the performance appraisals may affect merit salary adjustment recommendations, most employees are not eligible for merit salary adjustments after two or three years on the job. She concluded that performance appraisals are meaningless. In addition, a department head we interviewed said that there is little support from the prison administration to take the performance appraisal system seriously. He added that, if an employee's performance is poor, supervisors do not give the employee a poor rating on the performance appraisal because they do not want to upset anyone.

It appears that supervisors give some employees good performance appraisals despite poor job performance and recommend these employees for merit salary adjustments. As a result, the State is paying employees higher salaries than may be appropriate by granting merit salary adjustments to undeserving employees.

The California Administrative Code and the State Personnel Transactions Manual specify that permanent employees are to receive performance appraisals on a regularly scheduled basis at least once each calendar year. Folsom's Warden's Directive 415 requires annual performance appraisals for permanent employees and specifies due dates based on the last digit of the employee's social security number. For example, performance appraisals for employees having a social security number

ending with the digit "2" are due to the personnel office by the end of February. Warden's Directive 415 also assigns overall responsibility for the performance appraisal system to the chief deputy warden, and requires the personnel office to implement the system.

As of October 24, 1985, supervisors had completed the performance appraisals due from October 1984 through September 1985 for 22 (58 percent) of 38 randomly selected Folsom employees. However, supervisors completed only 8 (21 percent) by the due date specified by Warden's Directive 415; they completed the other 14 (37 percent) late.

Although permanent employees should receive performance appraisals annually, the average interval between consecutive annual performance appraisals for the 19 employees we reviewed was 21.3 months. Five (26 percent) of these employees received consecutive performance appraisals at intervals of over two years; in one case, the interval was seven years.

Supervisors say they often cannot complete the performance appraisals on time because they receive the appraisal forms late. According to the supervisor of the personnel office, her staff sometimes prepares the performance appraisal forms late and some are delayed elsewhere. She added that the personnel office does not perform the required follow-up on overdue performance appraisal forms because her staff does not have the time. She said that Folsom places a low priority on the performance appraisal system, and the personnel office assigns a low priority to follow-up on overdue appraisal forms. The warden agreed that Folsom has placed a low priority on the performance system in the past, but he plans to emphasize the importance of performance appraisals.

Because supervisors do not complete employees' annual performance appraisals promptly, employees do not receive prompt formal recognition for effective performance or guidance to correct aspects of performance that need improvement. In addition, employees may not receive the

counseling that is necessary for good career development. Finally, supervisors lack current performance appraisals to consider when making recommendations for merit salary adjustments. However, the associate warden for business services is revising the system to make each division head responsible for the administration of the performance appraisal system within his division.

Conclusion

Performance appraisals do not appear to provide an accurate evaluation of employees' job performance. Supervisors give performance ratings of "meets" or "exceeds standards" to employees who have been involved in incidents leading to adverse actions during the appraisal period, and they recommend granting merit salary adjustments to these employees. As a result, the State incurs increased costs for higher salaries by granting merit salary adjustments to undeserving employees.

In addition, Folsom supervisors do not comply with state and department regulations requiring regularly scheduled annual performance appraisals. Consequently, employees do not receive prompt formal recognition for effective performance or guidance to correct aspects of performance that need improvement. Further, supervisors lack current performance appraisals to consider when making merit salary adjustment recommendations.

Recommendation

The warden should require supervisors to make accurate performance appraisals and to consider incidents leading to adverse actions when they complete annual performance appraisals for their subordinates. The warden should also require supervisors to review the employee's personnel file before recommending approval or denial of a merit salary adjustment for the year. If the annual performance appraisal is overdue at the time the merit decision is due, the warden should require the supervisor to complete a performance appraisal and return

it with the merit decision. In addition, the warden should require supervisors to justify recommendations to grant merit salary adjustments to employees who have received disciplinary actions during the previous year, and he should require the chief deputy warden to review such recommendations before granting merit salary adjustments. Also, the warden should ensure that Folsom supervisors comply with state and prison regulations requiring regularly scheduled annual performance appraisals.

Item 14.3 **Folsom Appears To Be Complying With Departmental Procedures for Disciplining Employees**

Folsom and the Department of Corrections appear to comply with both the steps and the schedules suggested in Department of Corrections regulations and Folsom guidelines for taking action to discipline employees. Also, the punitive measures imposed by the Department of Corrections appear to be appropriate to the types of misconduct the employees were charged with.

Audit Scope, Objectives, and Methods

To determine whether supervisors at Folsom are following state law and Department of Corrections procedures for disciplining employees, we reviewed a sample of nine adverse actions that supervisors initiated against Folsom employees during fiscal year 1984-85. To determine whether the punitive action that the warden recommended was appropriate to the type of misconduct that occurred, we reviewed guidelines suggested by Folsom's employee relations officer.

Analysis

The Government Code specifies 24 types of misconduct that agencies can discipline employees for. The Department of Corrections' Administrative Manual defines an "adverse action" as any action that may lead to dismissal, demotion, suspension, reduction of salary, or

formal written reprimand. The manual also specifies procedures that prison officials must follow in taking an adverse action against an employee. These procedures include investigating an allegation of misconduct, reporting to the deputy director for institutions of the Department of Corrections, notifying the employee, affording the employee a hearing so that the employee can present evidence of mitigating circumstances, and issuing a decision.

According to an analyst in the Department of Corrections' Labor Relations Branch, the department does not specify any schedules for completing steps in the adverse action process before sending the employee a preliminary notice of adverse action. However, Folsom's employee relations officer, said that Folsom has established guidelines for the steps that Folsom must complete to take adverse action against an employee. The employee's immediate supervisor should initiate an investigation within 15 days after receiving an allegation of misconduct. Although Folsom does not specify a time for completing the investigation, the immediate supervisor must forward to his or her supervisor a report of the investigation. This report, which should include both supervisors' recommendations for punitive action, is next forwarded to the warden. The warden should send the employee a preliminary notice of adverse action at the same time the warden has completed his review of the investigation report and recommended the type of punitive action that the Department of Corrections should take against the employee. The Department of Corrections should send the employee a notice within 5 days of the date that it has made a formal decision. After receiving this notice, an employee has 5 days to ask for a hearing before the Department of Corrections. In addition, an employee has 20 days in which to appeal the Department of Corrections' formal decision to the State Personnel Board.

According to the employee relations officer at Folsom and a labor relations branch analyst in the Department of Corrections, the Department of Corrections does not have regulations specifying which types of punitive actions are appropriate for the various types of

offenses. However, Folsom's employee relations officer told us that she uses a Department of Developmental Services guideline that suggests the types of punitive actions that correspond to the different types of misconduct. Punitive actions range from a letter of reprimand to dismissal. Types of misconduct range from failure to maintain records to an act of moral turpitude.

We reviewed 9 of the 35 adverse actions that various supervisors initiated against employees in fiscal year 1984-85. In all 9 actions, the immediate supervisor initiated the investigation within a reasonable amount of time after receiving the allegation of misconduct. In 7 of the 9 cases, employees received the required preliminary notice at the time the warden forwarded his recommendation to the Department of Corrections. We could not document whether employees received such notices in the other 2 cases. Employees who appealed the Department of Corrections' formal decision to the State Personnel Board did so within the required 20 days. Finally, the punitive measures that the Department of Corrections imposed on employees ranged from a letter of reprimand to dismissal and corresponded to the types of misconduct that the Folsom guidelines suggest. In one case, for example, the Department of Corrections dismissed an employee for an act of moral turpitude.

Conclusion

Based on the nine adverse actions that we reviewed, supervisors, the warden, and the Department of Corrections complied with both the steps and the schedules suggested in Department of Corrections regulations and Folsom guidelines for processing adverse actions to discipline employees. Also, the punitive measures imposed by the Department of Corrections appear to be in accordance with the suggested guidelines that Folsom's employee relations officer uses.

CHAPTER XV

ENSURING EQUAL OPPORTUNITIES FOR ALL EMPLOYEES

Folsom appears to comply with equal opportunity requirements in some areas but not in others. For example, the Folsom wardens have initiated measures to reduce sexual harassment. Folsom also processes complaints of sexual harassment promptly, and, according to responses from female employees, the prison's system for reporting and responding to complaints of sexual harassment appears to be adequate. Additionally, Department of Corrections policies to prevent nepotism appear adequate and Folsom is also complying with those policies. However, Folsom employees we surveyed believe that favoritism occurs frequently at the prison. To ensure that favoritism is not a factor in job assignments, the warden has initiated actions to alternate job assignments and to implement a Department of Corrections policy to assign 60 percent of the jobs in the Custody Division on the basis of seniority. Finally, Folsom's progress toward meeting Department of Corrections mandated affirmative action goals is slow.

Background

The Department of Corrections has implemented procedures that allow employees to file complaints of sexual harassment against other employees. At the time of our review, Folsom had three equal employment opportunity officers to respond to complaints of sexual harassment. Between January and June 1985, these officers received six discrimination complaints, four of which were for sexual harassment.

Procedures that the equal employment opportunity counselors follow, emphasize informal resolution of the complaint between the complainant and the alleged offender. However, if the complainant is not satisfied with the counselor's proposed resolution, the complainant can file a formal complaint with the Department of Corrections, the State Personnel Board, or a federal compliance agency.

The State Personnel Board and Department of Corrections regulations prohibit nepotism. The Department of Corrections defines nepotism as the practice of using influence to aid or hinder an employee in the employment setting because of a personal relationship. A personal relationship is defined as an association with another by blood, adoption, marriage, or cohabitation. Department of Corrections policy also prohibits relatives from working together in a small unit of six or fewer employees.

Eighteen percent of the approximately 850 Folsom employees are related to each other. Former and current employees have alleged that supervisors most often give preference to relatives in assigning staff to watch assignments and to posts and in assigning regular days off or overtime. However, the State Personnel Board, in a report on Folsom, determined that supervisors did not make watch or post assignments or assign regular days off on the basis of nepotism.

Former and current employees have also charged that supervisors at Folsom make staff assignments on the basis of favoritism. Neither state law nor the Department of Corrections has defined favoritism. However, to determine whether and to what extent favoritism exists at Folsom, we have defined it as follows: an employee's use of his or her power to influence, unfairly aid, or unfairly hinder another employee in the employment setting because of friendship or personal dislike.

The State is committed to a policy of nondiscrimination and equal employment opportunity. State law requires each department to establish an affirmative action program that includes goals and timetables to overcome underrepresentation of minorities and women in its organization. The Department of Corrections requires each prison to develop an affirmative action plan and assigns responsibility for meeting affirmative action goals to the warden. The Department of Corrections' current goals for employing women and minorities reflect either parity with representation in the labor force or parity with representation in the statewide prison inmate population, whichever is higher.

Item 15.1 Measures To Reduce Sexual Harassment are Underway and the Processing of Complaints Is Prompt

Folsom wardens have instituted measures to train equal employment opportunity counselors, to inform all staff of Department of Corrections policy on sexual harassment, to inform supervisors of their role to ensure a discrimination-free work environment, and to require all staff to attend classes on sexual harassment as recommended in a report of the State Personnel Board. Also, the equal employment opportunity counselors processed the sexual harassment complaints we reviewed promptly within the time limits set by the Department of Corrections.

Audit Scope, Objectives, and Methods

To determine whether the warden's office is taking appropriate action to prevent sexual harassment at Folsom, we reviewed a recent investigation by the State Personnel Board, interviewed the chief deputy warden, and obtained documented evidence of the actions that the warden's office has taken to comply with the State Personnel Board's recommendations. To determine whether the equal employment opportunity coordinator is processing complaints of sexual harassment in accordance with Department of Corrections regulations, we reviewed all four complaints that employees filed with one of the two equal employment opportunity counselors between January 1 and June 30, 1985.

Analysis

The State Personnel Board conducted an investigation into allegations of sexual harassment at Folsom in March 1985. The State Personnel Board concluded that sexually offensive language and behavior existed at Folsom and that supervisors have not enforced prison policy against sexual harassment. The State Personnel Board recommended that equal employment opportunity counselors receive training in equal employment opportunity investigations and employment law, that the warden inform

all staff of the prison's sexual harassment policies, and that the warden require all staff to attend training on sexual harassment.

Since the State Personnel Board's report, the wardens at Folsom have taken actions to implement the report's recommendations on sexual harassment. The equal employment opportunity counselors have all attended classes in equal employment opportunity procedures and investigative techniques. The wardens have issued and posted memoranda informing all staff of the prison's policies against sexual harassment. These memoranda also remind supervisors of their duty to ensure a discrimination-free work environment. Finally, the warden has mandated that all staff attend classes on sexual harassment. Of the nearly 850 Folsom staff, 642 have attended Folsom's in-service training classes offered in March, July, and August 1985.

In addition, the equal employment opportunity counselors are responding to complaints of sexual harassment within the periods required by Department of Corrections policy. Section 2047 of the Department of Corrections' Administrative Manual specifies the policies and procedures for filing and resolving complaints of sexual harassment. At any institution, a complainant can contact the equal employment opportunity counselor to seek informal resolution of the complaint within 20 days of the occurrence of the alleged discriminatory incident. The counselor has 20 days in which to investigate the complaint. Within the 20 days, the counselor must inform the complainant of the results of the investigation and the counselor's proposed resolution. For all four complaints we reviewed, complainants filed complaints within the period provided for in the Department of Corrections' Administrative Manual, and the counselor responded to the complaint within the 20 days specified in the manual. Complainants in the four cases we reviewed did not appeal the counselor's proposed resolution.

Conclusion

The warden's office appears to be complying with the State Personnel Board's recommendations to prevent sexual harassment at Folsom Prison. Further, the equal employment opportunity coordinator appears to be complying with Department of Corrections schedules for processing complaints of sexual harassment.

Item 15.2 Most Female Folsom Employees Believe That Folsom Is Taking Effective Measures To Prevent Sexual Harassment

Sexual harassment at Folsom has been a problem for some female employees. According to our survey of Folsom's female employees, 44 percent of the respondents reported that they had been sexually harassed at least once while employed at the prison. However, it appears that harassment may be decreasing. While only one percent of the respondents thought that sexual harassment had increased between April and October 1985, 22 percent believed that incidents of sexual harassment had decreased. Although no one in our sample had ever reported an incident of sexual harassment to an equal employment officer as provided for in Department of Corrections regulations, respondents believe the system for reporting and responding to complaints of sexual harassment is adequate. Eighty percent of our sample said the system for handling complaints of sexual harassment was either somewhat or very effective.

Audit Scope, Objectives, and Methods

To determine the extent of sexual harassment at Folsom and to determine whether the prison is effectively addressing sexual harassment, we administered a questionnaire to all 122 female employees having permanent status as of September 25, 1985. Sixty-three (52 percent) of the 122 female employees responded to the questionnaire.

Analysis

Title VII of the United States Civil Rights Act makes it illegal to discriminate against anyone with respect to employment on the basis of sex. In response to Title VII and federal regulations, the Department of Corrections informed its employees that sexual harassment in the workplace is a prohibited form of discrimination based on sex. The Department of Corrections' Administrative Manual defines sexual harassment as "unsolicited and unwelcomed sexual overtures that may be written, verbal, physical, or visual." Sexual harassment includes requiring sexual favors as a condition of employment or in return for decisions affecting employees. It also includes situations involving sexual conduct that adversely affect an employee's work performance or create a hostile or otherwise offensive work environment.

Using the Department of Corrections' definition of sexual harassment, 28 (44 percent) of the 63 employees responding to our questionnaire replied that they had been sexually harassed while employed at Folsom. Of the respondents who reported being harassed, 15 percent reported they were harassed frequently, 67 percent indicated that the harassment occurred occasionally, and 18 percent said they were harassed only once. According to 43 percent of the respondents, harassment was most often verbal. One-fourth of those who were harassed indicated that they had been harassed physically, 18 percent said the harassment was visual, and 10 percent said it was written.

Approximately 22 percent of the respondents said that sexual harassment had declined at Folsom between April and October 1985, while only one percent believed it had increased. Thirty-three percent of the respondents stated that harassment had remained about the same during the period, and 44 percent had no opinion.

Most (96 percent) of the respondents believed that the in-service training course on sexual harassment was either somewhat or very effective in educating employees about the nature of sexual harassment.

A similar majority (96 percent) thought the course was either somewhat or very effective in educating employees about the formal and informal procedures for resolving complaints of sexual harassment.

While 80 percent of those responding said that current procedures for reporting complaints of sexual harassment were either very effective or somewhat effective, only 7 percent had ever reported an incident of sexual harassment to a superior, and no one indicated reporting the incident to an equal employment officer as permitted in Department of Corrections regulations. Most respondents (88 percent) stated that they either ignored the incident or resolved the incident with the offender.

The most frequently cited reason for not reporting incidents of sexual harassment was that respondents could resolve the problem informally. Also, 25 percent of those responding believed that they would get a reputation as a troublemaker or hurt their career if they reported sexual harassment to their supervisor or an equal employment officer. Another 21 percent said that the incidents were not serious. Four respondents said they felt that prison officials or co-workers treated them unfairly after they had complained of sexual harassment, while five said they were treated fairly.

According to our sample, custody personnel are more likely to be sexually harassed than are noncustody personnel. Twenty-three (37 percent) of the 63 respondents in our survey were custody personnel. Of those, 17 (74 percent) reported having been sexually harassed. By contrast, only 11 (28 percent) of the remaining 40 respondents answered that they had been sexually harassed.

Conclusion

Based on responses to our survey of female employees at Folsom, sexual harassment has been a problem for some female employees. According to our survey, 28 (44 percent) of 63 respondents have been sexually

harassed while employed at the prison. However, such harassment may be decreasing, and Folsom appears to be making progress in educating employees and preventing sexual harassment. Almost all of the respondents said that the course on sexual harassment was either very effective or somewhat effective in educating employees about sexual harassment. Also, the prison's system for responding to and resolving complaints of sexual harassment appears to be adequate.

**Item 15.3 The Department of Corrections' Policies To Prevent
Nepotism Appear Adequate and Folsom Is Complying With
Those Policies**

According to a March 1985 study by the State Personnel Board, the Department of Corrections' policy on nepotism is reasonable. In addition, we found that the Department of Corrections' nepotism policy is similar to the policies to prevent nepotism of four other state departments that we surveyed. The State Personnel Board also investigated allegations of nepotism at Folsom and found that relatives did not regularly work in a supervisor-subordinate relationship, nor did they work together in small units. Moreover, managers and supervisors reported to us that their superiors have never influenced them to grant favorable treatment to the superiors' relatives.

Audit Scope, Objectives, and Methods

To determine whether Folsom complies with State Personnel Board guidelines and Department of Corrections regulations to prevent nepotism, we reviewed the State Personnel Board's March 1985 investigation into allegations of nepotism at Folsom. To determine whether the Department of Corrections' policy on nepotism is adequate, we compared it to the policies of four other state agencies. We also sent a questionnaire to a random sample of 64 of 130 supervisors and managers at Folsom; 39 (61 percent) of the 64 supervisors and managers responded to the questionnaire.

Analysis

On November 6, 1979, the State Personnel Board sent a memorandum directing all state departments to ensure that persons who are related to each other do not work in a small unit together, work for the same supervisor, or have a direct or indirect supervisor-subordinate relationship. The State Personnel Board permits each state department to design its own policy on nepotism.

Department of Corrections policy appears to be consistent with the State Personnel Board's guidelines. Sections 2560 through 2562 of the Department of Corrections' Administrative Manual prohibit persons who have a close personal relationship from working in a direct supervisor-subordinate relationship. These sections also prohibit persons who have a close personal relationship from working together in a small unit of six or fewer employees. Section 2561 of the manual defines nepotism as the "practice of an employee using his or her personal power or influence to aid or hinder another in the employment setting because of a personal relationship." A personal relationship is an association with another by blood, adoption, marriage, or cohabitation. Additionally, in a March 13, 1985, report, the State Personnel Board found that the Department of Corrections' nepotism policy appeared to be reasonable for an organization of the type and structure of Folsom.

In addition, we surveyed four other state departments to compare their policies on nepotism with those of the Department of Corrections. The California Highway Patrol and the Department of Corrections prohibit relatives from working together in a direct supervisor-subordinate relationship while the departments of Transportation, Mental Health, and Forestry require management approval for relatives to work together in a direct supervisor-subordinate relationship. The California Highway Patrol does not include cohabitation in its definition of "relationship," but the four other departments do include it. The departments of Transportation and Forestry and the California Highway Patrol prohibit relatives from working together in an indirect

supervisor-subordinate relationship with certain exceptions, whereas the departments of Corrections and Mental Health do not. Based on our review, the Department of Corrections' policy on nepotism appears to be similar to the policies of other departments.

In March 1985, the State Personnel Board conducted an investigation into allegations of nepotism at Folsom and found few violations of the Department of Corrections' nepotism policy. The State Personnel Board could not substantiate the allegations, but it did find 31 one-day violations of the Department of Corrections' prohibition against a family member directly supervising a relative. However, this number was out of 150,000 working relationships spanning 12 months. The State Personnel Board also found 15 instances in which family members worked together in the same unit, but it concluded that these violations appeared to be accidental.

Folsom managers and supervisors we surveyed believe that nepotism does not occur at the prison. Eight (21 percent) of 39 respondents to our questionnaire on nepotism replied that they have regularly supervised someone who was related to their immediate supervisor. However, the respondents indicated that their supervisors never directly or indirectly influenced them to treat the relative of their supervisor differently from other employees. Almost 45 percent of our respondents agreed that they have supervised an employee who was related to someone who supervised the respondent indirectly. However, only one person in the sample ever felt uncomfortable supervising the relative of someone higher in the Folsom administration. No one reported benefiting from nepotism, although one person indicated that he was adversely affected by nepotism.

Conclusion

Folsom appears to be complying with Department of Corrections policies on nepotism. The State Personnel Board found this policy on nepotism to be reasonable, and we found that it is similar to the policies of

the four other state agencies we surveyed. Finally, managers and supervisors at Folsom indicated to us that employees do not use personal power or influence to aid or hinder another employee in the employment setting because of a personal relationship.

Item 15.4 **Employees Believe That Favoritism Occurs Frequently at the Prison**

Employees at Folsom believe that favoritism is widespread at the prison. Thirty (91 percent) of the 33 employees in our sample said that supervisors make job assignments on the basis of favoritism. However, only 16 percent of the respondents answered that they had benefitted from favoritism, while 64 percent said they had not. The warden stated that he has initiated actions to rotate staff and implement Department of Corrections policy that assigns 60 percent of the jobs in the custody division on the basis of seniority. According to the warden, these actions should counteract the impression of favoritism among staff.

Audit Scope, Objectives, and Methods

To determine whether and to what extent employees believe favoritism exists at Folsom, we reviewed two March 1985 State Personnel Board reports on sexual harassment and nepotism at Folsom. These reports address allegations of favoritism that former employees lodged against administrators at Folsom. To determine whether Folsom employees perceive favoritism to be a problem, we sent a questionnaire to a random sample of 71 Folsom employees; 33 (46 percent) employees responded to the questionnaire.

Analysis

The State Personnel Board issued two reports on Folsom in March 1985. The first report found that employees believed that supervisors made many work assignments on the basis of friendship or factors that were

not job related. The report concluded that the perception of favoritism among employees was due in part to their lack of understanding of the criteria supervisors use to select and assign staff to positions. The second report, however, found no evidence to support the allegation that women employees who are married to other custodial staff receive preferential treatment in the form of work assignments or the assignment of overtime.

In our survey of Folsom employees, we defined "favoritism" as the practice of an employee's using his or her personal power to influence or unfairly aid or hinder another employee in the employment setting because of friendship or personal dislike. Based on the responses to our questionnaire, Folsom employees believe that favoritism is widespread at the prison. Thirty (91 percent) of the 33 employees responding to our questionnaire answered that supervisors make job assignments on the basis of favoritism.

According to the majority of the employees, favoritism was most likely to take the form of a specific type of job (78 percent), a favorable work shift (63 percent), or favorable schedule for regular days off (69 percent). Only 16 percent indicated that favoritism had benefitted them, while 64 percent replied that favoritism had adversely affected them.

Of those responding to the questionnaire in October 1985, (52 percent) indicated that the problem of favoritism was about the same then as it was in January 1985. Approximately one-fourth (26 percent) of the employees indicated that the problem of favoritism had changed for the better, while 13 percent thought it had changed for the worse since January 1985.

One reason cited for favoritism was that supervisors remain in the same position for too many years. Also, some employees thought that supervisors made assignments because of friendship or family relationship or because supervisors were "grooming" a protege. The

solution to the problem of favoritism, according to one employee, was to follow the seniority system in making staff work assignments. The solution that this employee proposed is consistent with a recent study by the Department of Corrections and with some actions that the warden soon plans to implement.

The Department of Corrections assigned a special management assessment team to investigate violence at Folsom State Prison. In its August 1985 report, the management team reviewed work assignments for staff. Although the report did not directly address favoritism, it did find that a few Folsom staff had been in their current assignments for over ten years. The management team noted that the prison's Custody Division did not have a plan to assure rotation of custody staff into various job assignments. The management team recommended that the Folsom administration ensure a systematic, well-defined procedure for assigning and regularly rotating staff. Similarly, in its first report, the State Personnel Board recommended that Folsom develop and share with staff the processes for making staff assignments.

The warden acknowledged that Folsom staff perceive favoritism to be widespread at the prison. The warden stated that he is evaluating current job assignments for all staff. To date, he said, he has changed many of the lieutenant assignments, and he plans to set up a system to rotate these assignments every two years. He stated that he is also implementing the Department of Corrections' system of assigning 60 percent of the positions on a seniority basis. Currently, the warden is evaluating job assignments to ensure that competent personnel are in critical positions. He concluded that such actions should reduce the perception of favoritism among staff at Folsom.

Conclusion

Employees at Folsom believe that favoritism is widespread at the prison. Thirty (91 percent) of the 33 employees in our sample said that supervisors make job assignments on the basis of favoritism.

However, only 16 percent of the respondents answered that they had benefitted from favoritism, while 64 percent said they had not. The warden stated that he has initiated actions to rotate staff and implement Department of Corrections policy that assigns 60 percent of the jobs in the Custody Division on the basis of seniority. According to the warden, these actions should counteract the impression of favoritism among staff.

Recommendation

The warden should ensure that supervisors alternate positions at reasonable intervals. Also, the warden should continue efforts to implement Department of Corrections policy of assigning 60 percent of the custody job assignments on the basis of seniority, and the warden should ensure that staff clearly understand the system for assigning employees to positions.

Item 15.5 The Warden Needs To Improve Folsom's Affirmative Action Program

Folsom's progress toward meeting the Department of Corrections' mandated affirmative action goals is slow. At the current rate, for example, it will take Folsom approximately 29 years to have sufficient Hispanics in its work force to meet its goals. Progress has been slow partly because the warden has not established hiring rates and timetables for the prison or for divisions within the prison. Although the warden is implementing improvements to the program, he needs to consider the reasonableness of the prison's goals. Some of the prison's goals, such as those pertaining to women, may be impractical.

Audit Scope, Objectives, and Methods

To determine whether Folsom has met or made progress towards meeting its affirmative action goals, we compared the composition of Folsom's work force for July 1981 and July 1985 to the affirmative action goals.

We also compared the composition of Folsom's work force to the composition of the Department of Corrections' work force for two minority groups and for women as of March 31, 1985. To determine whether Folsom has an affirmative action plan that meets the requirements of federal, state, and departmental laws and rules, we reviewed federal and state laws and regulations and Folsom operational procedures. We also interviewed representatives of the State Personnel Board and the Department of Corrections.

Analysis

The Government Code requires each state agency to establish an affirmative action program based on guidelines that the State Personnel Board has established. State law further requires that the program include goals and timetables to overcome underutilization of women and minorities in the organization. The law defines "goals" as projected levels of employment that will remedy underutilization of women and minorities, and it defines "timetables" as estimates of the time required to meet specific goals. Further, it requires agencies to submit their goals and timetables to the State Personnel Board annually for approval or modification. Federal regulations specify that an affirmative action program should also include recruitment efforts to attract qualified women and minorities, systems to monitor the effectiveness of the affirmative action program, and procedures for adjusting the program when it is not effective.

The Department of Corrections' Administrative Manual establishes work force composition goals for women and minorities and requires setting annual hiring rates to correct deficiencies. Although the State Personnel Board relies only on statewide labor force parity for women and minority groups to determine whether state agencies meet their work force composition goals for affirmative action, the Department of Corrections has elected to adopt work force composition goals that reflect either parity with representation in the labor force or parity with representation in the statewide prison inmate population,

whichever is greater. For example, if 7 percent of the employees in the statewide labor force are black but 25 percent of the inmates in the state prisons are black, the work force goal required by the State Personnel Board for black employees in the Department of Corrections would be 7 percent, while the Department of Corrections' work force composition goal would be 25 percent.

The Department of Corrections' Administrative Manual assigns responsibility for meeting Department of Corrections goals to the warden, and it requires each institution to develop an affirmative action plan to meet these goals. The Department of Corrections does not, however, establish a timetable that it expects the warden to comply with in meeting its goals.

Folsom's Operational Procedure 18 adopts the Department of Corrections' work force composition goals for women and minorities. These goals reflect the higher of parity with representation in the labor force or parity with representation in the prison inmate population. Operational Procedure 18 also provides guidelines that specify methods to recruit and monitor the hiring of women and minorities and methods to adjust Folsom's efforts to meet the goals. For example, Folsom should publicize employment opportunities in news media oriented toward women and minorities, the personnel office should monitor hiring and provide reports of work force composition to the warden, and the warden should review these reports with management to adjust Folsom's efforts.

TABLE 15.5

**COMPARISON OF FOLSOM'S WORK FORCE COMPOSITION
IN JULY 1981 AND JULY 1985
FOR GENDER AND SELECTED ETHNIC GROUPS**

| <u>Category of Gender and Ethnicity</u> | <u>July 1981 Composition In Percent</u> | <u>July 1985 Composition In Percent</u> | <u>Net Change (Percent)</u> | <u>Folsom's Affirmative Action Goal In Percent</u> | <u>July 1985 Deficiency (+ or -) In Percent</u> |
|---|---|---|-------------------------------------|--|---|
| Black | 11.2 | 12.1 | +0.9 | 24.5 | -12.4 |
| Hispanic | 8.0 | 9.3 | +1.3 | 18.6 | -9.3 |
| Asian | 1.4 | 1.3 | -0.1 | 3.6 | -2.3 |
| Filipino | 1.2 | 1.0 | -0.2 | 1.6 | -0.6 |
| Native American | 0.7 | 1.3 | +0.6 | 0.7 | +0.6 |
| Other* | 0.2 | 0.7 | +0.5 | 1.5 | -0.8 |
| Female | 15.6 | 17.7 | +2.1 | 42.8 | -25.1 |

*Includes Asian, Indian, Malayan, etc.

As Table 15.5 illustrates, Folsom has met its work force composition goals in only one of seven categories of gender and ethnicity: the goal for Native Americans is 0.7 percent of the work force; Folsom's work force included 1.3 percent Native American employees as of July 1985. Although Folsom made some progress towards meeting its goals for black, Hispanic, and female employees between July 1981 and July 1985, considerable time will likely elapse before it achieves its present goals. For example, if Folsom continues to increase the number of Hispanics in its work force at the same rate that it has during the last four years, we estimate it will take approximately 29 years before the present goal for Hispanics is met.

Folsom is also below departmentwide levels for women and minorities for the entire Department of Corrections work force. For example, the Department of Corrections reported that as of March 31, 1985, Folsom's work force was composed of 12.3 percent black, 9.5 percent Hispanic, and 18.0 percent women employees, while the departmentwide composition was 18.0 percent, 14.6 percent, and 27.4 percent, respectively.

Although the Department of Corrections supports their use, the warden has not established hiring rates or timetables to meet Folsom's overall work force composition goals, nor has he established hiring rates or timetables for each division and assigned responsibility to the division heads for meeting them.

In its recent investigation, the Department of Corrections' management assessment team pointed out a number of deficiencies in Folsom's affirmative action program. First, it concluded that the administration at Folsom has no systematic procedure to monitor and control progress toward achieving affirmative action goals. In addition, the affirmative action coordinator obtains monthly work force composition reports, but the reports do not include breakdowns by job class, division, or work unit, and he does not share the reports with executive staff. Further, supervisors and managers do not routinely monitor the composition of their work groups, and they do not adjust hiring practices as needed to correct deficiencies. Finally, the management team reported that several employees perceive a lack of administrative support for affirmative action goals and related programs.

Folsom's affirmative action coordinator stated that he is compiling a breakdown of Folsom's work force by job class so that the warden can focus on hiring women and minorities into job classes where they are underrepresented. Also, he has revised the format for letters requesting approval to appoint new employees. Before the warden approves the appointment, the affirmative action coordinator must sign the letter to indicate his approval that Folsom has followed affirmative action guidelines during the hiring process.

In addition to improving its affirmative action program, Folsom needs to consider the reasonableness of its goals. Based on the length of time it will take to meet them, some goals, such as the goals for blacks and women, may be impractical. For example, if Folsom continues to increase the number of blacks and women in its work force at the

same rate as it has during the last four years, we estimate it will take Folsom approximately 55 years before it achieves the goal for blacks and approximately 48 years before it achieves the goal for women. Further, to achieve its goals in all categories, we estimate, assuming that the size of Folsom's work force remains constant and that 40 percent of the minorities Folsom hires are women, that Folsom will have to reduce the number of its white male employees from the present 524 to 184.

Conclusion

The warden is making some progress to meet affirmative action goals that the Department of Corrections mandates; however, the progress has been slow. According to a recent Department of Corrections investigation, supervisors and managers do not routinely monitor and control progress to meet Folsom's affirmative action goals. Also, some of the prison's goals may not be reasonable.

Recommendation

The warden should improve Folsom's efforts to meet Department of Corrections mandated affirmative action goals. Specifically, he should establish hiring rates and timetables to meet the overall affirmative action goals for Folsom. The affirmative action coordinator should complete the inventory of Folsom's work force composition by job class in order to identify job classes in which women and minorities are underrepresented. Based on this inventory, the warden should establish annual divisional hiring rates and assign division heads responsibility for meeting these rates. Further, the warden should regularly communicate affirmative action goals to first line supervisors and managers involved in the selection and hiring process. The warden should review Folsom's progress periodically and adjust the program when it is not effective. Finally, the warden should assess the practicality of the prison's work force composition goals and recommend appropriate changes to the Department of Corrections.

CHAPTER XVI
FOLLOWING STATE HIRING PROCEDURES

Folsom appears to comply with all regulations governing the hiring of eligible applicants from State Personnel Board certified employment lists except one: interviewers did not make and retain summaries of hiring interviews. Because interviewers did not make and retain interview summaries, they cannot document that they have treated all applicants fairly and impartially.

Folsom appears to comply with state regulations for the testing and hiring of eligible candidates for job classifications that the State Personnel Board authorizes Folsom to administer. In addition, Folsom appears to comply with State Personnel Board Law and Rules and departmental rules for the following: the hiring and employing of limited-term employees, permanent intermittent employees, seasonal employees, and retired annuitants on an emergency basis; the permissive reinstatement of former state employees to positions at Folsom; and the administration of training and development assignments.

Background

Folsom typically appoints or hires its employees from employment lists. An appointment is the offering and acceptance of a position in state civil service. An employment or "eligible" list is a list of persons who have been evaluated in a competitive examination and are eligible for certification for a specific job classification. Certification is the process the State Personnel Board uses to provide an official ordered list of qualified candidates for a job classification, and a certified employment list is a list of eligible candidates compiled according to this process.

Folsom hires from State Personnel Board certified employment lists for 82 job classifications at the prison. Normally, when a position is

vacant, Folsom's personnel office requests a certified employment list for the job classification that the State Personnel Board, the Department of Corrections, or Folsom has determined is appropriate for the position. The certified employment list ranks the candidates according to their examination scores; Folsom's personnel office must contact all candidates in the top three ranks to determine whether they are interested in the position. If none of the candidates in a rank is interested, the personnel office may contact all candidates in successively lower ranks until three ranks are represented. If the number of candidates in the top three ranks is small, the personnel office may contact all candidates in the fourth or lower ranks as well so that supervisors will have at least three candidates to interview.

Supervisors must interview all interested candidates in the top three ranks. To interview at least three candidates for the position, they may also interview all interested candidates in successively lower ranks until three ranks are represented. Supervisors must then hire from among the candidates in the top three ranks containing individuals who expressed interest in the position. The Department of Corrections requires interviewers to summarize the result of the hiring interview and retain the summary for a reasonable period for use in responding to inquiries or appeals regarding the impartiality of the interview.

In addition, the Department of Corrections requires the warden to approve all appointments, and the director of the Department of Corrections must approve all appointments to positions at the level of correctional captain and above. The Folsom personnel office must investigate the background of each new employee. It verifies previous employment, obtains the new employee's fingerprints, and submits the fingerprints to the Bureau of Identification in the Department of Justice so that the bureau can conduct a criminal records check to determine if the individual has any convictions for offenses that are relevant to the person's employment with the Department of Corrections.

The State Personnel Board has delegated testing for hiring in 30 additional job classifications to the Department of Corrections, and it permits Folsom personnel to perform many of the technical and clerical functions normally handled by the staff of the State Personnel Board when hiring in these 30 job classifications. For example, the Folsom personnel office issues examination announcements for positions at Folsom, and Folsom employees form panels of interviewers to test candidates and rate them based on education and experience pertinent to the position.

Folsom also hires employees who are not permanent, full-time employees, such as limited-term employees, permanent intermittent employees, and retired annuitants hired on an emergency basis. The State Personnel Board establishes regulations for hiring employees into these types of appointments. The State Personnel Board has also designated selected job classifications as seasonal job classifications. Employment in a seasonal job classification is temporary, and employees may not serve more than 9 months during any period of 12 consecutive months in a temporary appointment.

The Folsom personnel office fills some positions by reinstating former state employees. The State Personnel Board permits departments to reinstate or rehire former state employees to the job classifications they vacated or to job classifications to which the law permits them to transfer. A transfer is a move between two positions, either within the same job classification or between two job classifications. Employees may transfer to a lower job classification in the same series of job classifications, to a lower job classification in a related series requiring similar qualifications, knowledge, and abilities, or to another job classification that has substantially similar duties, responsibilities, and qualifications, and substantially the same salary range. A transfer may be made with or without an examination, and it may be made within a department or between departments.

The Department of Corrections permits employees to serve in training and development assignments of 24 months duration or less to improve their skills and abilities for continued service in their present occupations or to prepare for a change to a different occupation. The training and development assignment should be consistent with the employee's career development plan, and it should provide training in duties that are different than those the employee has previously performed. During the training and development assignment, the employee retains his or her permanent job classification title, salary, and position number. When the training and development assignment ends, the employee may return to his or her former position or transfer to the position in which he or she trained or to another position. Departments may not use training and development assignments to circumvent the normal promotional process. Therefore, employees may not serve in training assignments in job classifications that have a promotional relationship to their job classification. However, employees are eligible to participate in promotional examinations based on the training assignment position. Thus, employees may use a training assignment to move from their job classification to a job classification in another occupational field.

Item 16.1 **Folsom Appears To Comply With All Regulations Except One for Hiring Employees From State Personnel Board Certified Lists**

Folsom appears to comply with all regulations governing the hiring of eligible applicants from State Personnel Board certified employment lists except one: interviewers did not make and retain summaries of hiring interviews. As required by state law, the Folsom personnel office contacted eligible candidates, and supervisors interviewed and hired eligible candidates. The warden and the director of the Department of Corrections approved the appointments as required by the department's Administrative Manual. Finally, the personnel office investigated the background of each new employee. Interviewers did not make and retain summaries of hiring interviews because they were not

aware that they were required to. As a result, interviewers cannot document that they have treated all applicants fairly and impartially.

Audit Scope, Objectives, and Methods

To determine whether Folsom complies with state and Department of Corrections regulations governing hiring from State Personnel Board certified employment lists, we reviewed the personnel office's records related to a sample of eight appointments that Folsom made during fiscal year 1984-85. For each appointment, we verified whether the personnel office contacted and supervisors interviewed and hired eligible candidates, whether the appointments received required approval, and whether the personnel office investigated the background of each new employee as required.

We also talked with the chief interviewer for each appointment to determine whether the prison retained summaries of hiring interviews. If the chief interviewer no longer worked at Folsom, we interviewed that person's successor or secretary.

Analysis

The California Administrative Code requires that departments hire from certified employment lists. The code also requires that, depending on the job class, departments hire either from among the highest three candidates who are willing to accept the position or from among candidates in the top three ranks that contain individuals who express interest in the position. The Department of Corrections' Administrative Manual requires the individual who interviews the candidates to summarize the results of the interview and retain the summary for a reasonable period of time for use in responding to inquiries or appeals regarding the impartiality of the interview. The manual also requires the warden to approve all appointments and requires the director of the Department of Corrections to approve all appointments to positions at the level of correctional captain and

above. Furthermore, the manual requires the institution to investigate the background of each new employee.

In each of the eight appointments we reviewed, Folsom complied with all of the foregoing requirements except one: the personnel office did not have interview summaries in its files for any of the eight appointments we reviewed. The supervisor of the personnel office said that the office never retained interview summaries. In addition, none of the four chief interviewers we questioned retained summaries of hiring interviews, nor were they aware of the requirement to do so. Only the business manager retained any notes of a hiring interview, and he was not aware of the departmental requirement to retain summaries. Because he was unaware of the requirement to retain hiring interview summaries, he did not direct the personnel office to instruct interviewers to make and retain summaries of interviews. As a result, Folsom lacks documented records of the interviewers' questions and the applicants' answers and has, therefore, unnecessarily limited its ability to respond to inquiries, appeals, or legal actions regarding the impartiality of the interview.

Corrective Action

On September 23, 1985, the acting warden issued a memo to all division heads, instructing all interviewers to retain summaries of hiring interviews, as the department requires.

Conclusion

Folsom appears to comply with regulations concerning hiring eligible applicants from State Personnel Board certified employment lists with one exception: interviewers did not make or retain summaries of hiring interviews. As a result, Folsom staff lack documented evidence that they have acted impartially in the hiring process, and Folsom is more vulnerable to appeals. However, the acting warden has instructed all interviewers to make and retain summaries of hiring interviews to comply with departmental regulations.

Recommendation

The personnel office should ensure that Folsom supervisors implement the instructions they have received from the acting warden to make and retain summaries of interviews of job applicants from State Personnel Board certified civil service lists.

Item 16.2 Folsom Appears To Comply With State Regulations for Testing and Hiring for Job Classifications That the State Delegates to Folsom

Folsom appears to comply with state regulations for the testing and hiring of eligible candidates for job classifications that the State Personnel Board authorizes Folsom to administer. For each of the four examinations in our sample, the personnel office correctly stated the minimum qualifications required for the job classification and interviewers asked candidates pertinent questions about education and experience, averaged examination scores properly, and ranked candidates correctly. Supervisors then hired candidates from the highest three ranks as required by the State Personnel Board's Rules. In addition, the personnel office verified the credentials of new employees when the job classification required such credentials.

Audit Scope, Objectives, and Methods

To determine whether Folsom complies with state regulations for the testing and hiring of candidates in the 30 job classifications that the State Personnel Board permits Folsom to administer, we reviewed 4 of the 20 examinations that the Folsom personnel office administered between February 1983 and December 1984. To determine whether new employees in job classifications that require specific credentials obtain or possess those credentials, we examined the personnel records of 13 of the 23 educational administrators and instructors.

Analysis

Folsom must comply with a number of requirements to properly test and appoint individuals to positions at the prison. The Government Code Section 18933 requires examination announcements to state the minimum qualifications as described in the job classification specifications. The personnel office's practice is to review each application to assure that each candidate meets the minimum qualifications of the position. Title 2, Sections 194 through 199 of the California Administrative Code requires the same panel of interviewers to interview all candidates and assign a score to each candidate based on the candidate's education and experience pertinent to the position. The panel then averages each candidate's score, ranks the candidates by their average scores, and places the candidates on an employment list according to their rank. The State Personnel Board's Law and Rules Section 19057.1 requires state agencies to hire from the three highest ranks on the employment list for the job classification. Certain job classifications, such as academic and vocational instructor, require candidates to have or obtain valid state credentials. Instructors, for example, must obtain or possess a teaching credential issued by the State for the subjects they teach.

For each of the four examinations we reviewed, the Folsom personnel office correctly stated the minimum qualifications in the examination announcement and correctly eliminated any candidates who did not meet these qualifications. Also, the same panel interviewed all candidates for a job and asked all candidates questions about education and experience which seemed pertinent to the position. The panels accurately averaged candidates' scores, correctly ranked the candidates according to the scores, and placed them on the employment list according to their ranks. Furthermore, supervisors hired candidates from the highest three ranks, as required. The personnel office also verified that all 13 of the employees we sampled in Folsom's educational programs possessed or obtained valid state credentials.

Conclusion

Folsom appears to comply with state regulations for the testing and hiring of eligible candidates for the job classifications that the State Personnel Board permits Folsom to administer.

Item 16.3 The Folsom Personnel Office Appears To Comply With State Personnel Board and Departmental Rules for Hiring Employees Who Are Not Permanent and Full Time

The Folsom personnel office appears to comply with the State Personnel Board's Law and Rules and departmental rules for hiring and employing limited-term employees, permanent intermittent employees, seasonal employees, and retired annuitants on an emergency basis. The office also appears to comply with rules governing the permissive reinstatement of former state employees to positions at Folsom and the administration of training and development assignments.

Audit Scope, Objectives, and Methods

To determine whether the Folsom personnel office complies with the State Personnel Board's Law and Rules and Department of Corrections rules for hiring employees who are not permanent and full time, we reviewed the following appointments made at Folsom during fiscal year 1984-85: three of the nine limited-term appointments, the one appointment of a permanent intermittent employee, two of the five instances of seasonal hiring, the emergency appointments of two retired annuitants, one of the three instances of permissive reinstatement of employees, and one of the two training and development assignments. We did not review temporary appointments because Folsom has hired no temporary employees for at least the last two years.

Analysis

Limited-Term Appointments

The State Personnel Board's Law and Rules require that, in making limited-term appointments, departments can hire only those individuals in the top three ranks of limited-term employment lists. The appointments are to be made for terms of two years or less to meet temporary staffing needs. Folsom officials interpret this rule to mean that limited-term appointments can be made only to positions that have not been permanently vacated.

In all three limited-term appointments in our sample, Folsom supervisors hired the individuals from the top three ranks of limited-term employment lists. The employees' appointment letters and Personnel Action Report of Appointment forms state that the terms of appointment shall be limited terms, that is, less than two years. All three individuals were appointed to positions that had not been permanently vacated: two individuals filled positions that were vacated by employees who were on other limited-term appointments and who had a right to return to their former positions, and the third individual filled the position of a permanent employee who was on extended sick leave.

Permanent-Intermittent Employees

The State Personnel Board's Law and Rules define permanent intermittent employees as permanent state employees who work periodically or for a fluctuating portion of the full-time work schedule. For example, permanent-intermittent employees may work a varying work schedule on an "on call" basis to assist a department's full time staff in handling peak work loads. The Law and Rules further require that departments hire only those individuals certified eligible by the State Personnel Board to fill intermittent positions. During fiscal year 1984-85, Folsom supervisors hired only one intermittent employee, a substitute

teacher. They selected that employee from a list of eligible candidates certified by the State Personnel Board.

Seasonal Classes

The State Personnel Board's Law and Rules require departments that hire individuals for seasonal job classes not requiring a test to give preference to recipients of Aid to Families with Dependent Children (AFDC). The seasonal clerk class is the only seasonal class that Folsom uses. Departments may obtain referrals of applicants who are recipients of AFDC by contacting the closest Employment Development Department Jobs Services Office. For one seasonal hiring in our sample, the Folsom personnel office requested referrals, and the supervisor hired one of the candidates referred. In the other hiring in our sample, the supervisor hired an individual who had held an appointment in the same seasonal class during the previous 12 months. The State Personnel Board permits this exception to its requirement that departments give preference to AFDC recipients in filling seasonal positions.

Emergency Appointments

The State Personnel Board's Law and Rules specify that departments may make an emergency appointment for a period not to exceed 60 workdays and may permit retired annuitants, individuals who have retired from state service, to work temporarily in a civil service class to which they would be eligible for permanent reinstatement. During fiscal year 1984-85, Folsom supervisors made emergency appointments of two retired annuitants. In both cases, the duration of the appointment was 60 days or less, and the two annuitants were appointed to classes to which they were eligible for reinstatement.

Reinstatements

The State Personnel Board's Law and Rules permit departments to reinstate former state employees to the job classes they vacated or to lower or similar classes. The Folsom personnel office reinstated three employees under this provision during fiscal year 1984-85. In the one reinstatement in our sample, the Folsom personnel office reinstated the former state employee to the same job class he had vacated.

Training and Development Assignments

The Department of Corrections' Training and Development Assignment Policy requires publicizing training opportunities and selecting candidates who will qualify for promotion or transfer following the training assignment. The policy also requires that training and development assignments provide training in duties substantially different from those the employee previously performed. The State Personnel Transactions Manual permits employees to transfer permanently to the position following the training assignment.

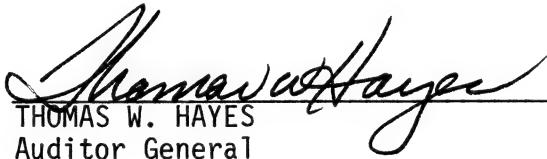
In the one training and development assignment in our sample, the Folsom personnel office publicized the training opportunity by sending a notice to all institutions in the Department of Corrections, all parole regions, the department's central office, and the exam unit. The supervisor selected a candidate who was eligible for promotion or transfer to the position following the training assignment and whose normal duties were substantially different from those of the training position. At the end of the assignment, the trainee transferred into the position on a permanent basis.

Conclusion

The Folsom personnel office appears to comply with State Personnel Board and Department of Corrections rules for hiring and employing limited-term employees, permanent-intermittent employees, seasonal employees, and retired annuitants on an emergency basis. The office also appears to comply with rules governing the permissive reinstatement of former state employees to positions at Folsom and the administration of training and development assignments.

We conducted this review under the authority vested in the Auditor General by Section 10500 et seq. of the California Government Code and according to generally accepted governmental auditing standards. We limited our review to those areas specified in the audit scope section of this report.

Respectfully submitted,


THOMAS W. HAYES
Auditor General

Date: March 10, 1986

Staff: Steven L. Schutte, Audit Manager
Samuel D. Cochran
Margaret E. Vanderkar
Michael R. Tritz
Stephan J. Cohen
John P. Albers
Cora L. Dixon
Elaine M. Howle
Karen S. Schwager
Ann K. Campbell
David K. Holmes
Gary Edwin Page
Margaret A. Peters
Paul J. Carrigan, Jr.
Kay E. Overman
Katherine M. Weir

Memorandum

Date : March 5, 1986

To : Mr. Thomas W. Hayes, Auditor General
Office of the Auditor General
660 J Street, Suite 300
Sacramento, CA 95814

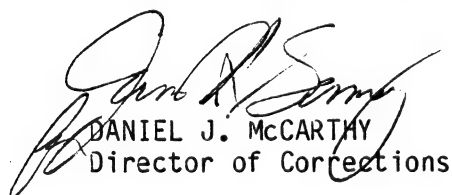
From : Department of Corrections

Subject: REVIEW OF MANAGEMENT PRACTICES AT FOLSOM STATE PRISON

This is in response to your letter dated February 26, 1986, in which you transmitted the two-volume draft report entitled, "A Comprehensive Review of Management Practices at Folsom State Prison." Departmental and Folsom Prison staff have reviewed and responded to each recommendation.

Enclosed are separate responses to the summary and the comprehensive reports. The summary highlights corrective actions that have been implemented or are being developed. The comprehensive response is organized by listing each item and the recommendation, followed by our response. A response was not provided for those items which concluded that Folsom Prison's management practices were satisfactory and did not include a recommendation.

If there are any questions regarding this response, please contact Mr. R. R. Bayquen, Deputy Director, Administrative Services, at (916) 323-4185.



DANIEL J. MCCARTHY
Director of Corrections

Attachments

CALIFORNIA DEPARTMENT OF CORRECTIONS

Response to Auditor General's Inspection Report

Summary

The administration of the California Department of Corrections has, as one of its goals, effective management and operation of the existing 12 institutions and 29 camp facilities that come under its jurisdiction. Folsom State Prison is one of the state's oldest facilities. A maximum security facility, Folsom's population includes those inmates serving long sentences, habitual criminals, hard-to-manage persons and inmates who present a risk to the safety of others. The operation of such a facility is a diverse and challenging endeavor, complicated by a variety of factors such as judicial intervention, budgetary constraints, physical plant condition and overcrowding, to name a few. Therefore, the staff who work at Folsom face daily obstacles to the successful discharge of their duties. However, they are committed to the goals of the department and equal to the task before them.

Discussion with staff assigned to the Auditor General's Office reveals that the audit of Folsom State Prison is one of the largest undertaken by the Auditor General. The department acknowledges the thorough and professional manner in which the staff from the Office of the Auditor General conducted the inspection and prepared their report. Given the large number of staff assigned to this audit and the length of time required to complete it, the potential for disruption to the prison's daily operation existed. We are pleased to note that staff on both sides worked cooperatively to facilitate the completion of the audit with minimal disruption.

During last year's legislative session, a number of allegations were made with respect to poor management practices at Folsom. The results of this current audit cited many of these same areas as being well-managed or experiencing no problems at this time. This is a positive factor which should be emphasized since some of the areas cited are very sensitive and critical to the effective operation of the facility. Examples of the areas referenced are:

- sexual harassment
- use of force/harassment of inmates (1) *
- hiring practices (nepotism)
- visiting
- conflict of interest (1)

We believe that the favorable results in these areas can be directly attributed the actions taken by the current Folsom administration or to the fact that the allegations themselves were untrue.

As in any large organization, management must establish operating goals and continually strive to ensure quality control regarding its daily operation. At the local level, Folsom staff utilize a number of performance indicators/ measures to evaluate the effectiveness of their programs. These include but are not limited to:

*The Auditor General's comments on specific points contained in the agency's response appear on page R-91.

- periodic review of operational procedures
- assessment of inmate appeals (Form 602)
- assessment of employee grievances
- analysis of disturbances (major and minor)
- analyses of escapes and escape attempts
- periodic unannounced inspections by Folsom administration staff of programs/facilities
- input from various advisory groups in the areas of training, inmate education, inmate programs, etc.

In addition, institution programs at Folsom are given periodic on-site review by staff assigned to the various units within the department's central office (headquarters). These reviews cover classification, case records, work incentive, court compliance, medical, fiscal and security issues. The results of these reviews are the identification of problem areas and development of corrective action plans, which can then be monitored. Over the past 12 months, Folsom State Prison has received several internal and external audits (reviews). As a result, a number of institutional procedures, operations, programs and staffing patterns have been developed or modified. The record should reflect that many of the recommendations included in the Auditor General's report are suggestions made by Folsom staff. These represent actions which had already been identified and/or explored and would probably have been implemented regardless of this formal audit. However, the external review by the Auditor General's staff served to reinforce the need for corrective action in some areas and provided the resources/manpower to explore in greater detail other critical areas.

The Department of Corrections concurs with a majority of the recommendations for corrections/improvements presented by the inspecting staff in their report. In those cases where the department does not concur, reasons for the disagreement have been fully documented in our detailed response.

Extensive action plans have been or are being developed to correct and improve functions of the Plant Maintenance, Procurement, Culinary, Inmate Work/Training Incentive Program and Classification operations. Many of these recommendations may result in significant fiscal impact. Given the Department's very rapid growth and the limited fiscal resources available, solutions to some of the problems cited may not easily be forthcoming. Each area is addressed in detail in Part II of this report.

Based on the demonstrated willingness of the management of the Department of Corrections to modify and improve existing operations, it is anticipated that the action plans outlined in this response will be fully implemented. As a result, the goal of a well-managed, cost efficient operation will be achieved.

CHAPTER I

MAINTAINING PRISON FACILITIES

ITEM 1.1

Folsom lacks a preventive maintenance program for its Plant and Equipment.

RECOMMENDATION

The Associate Warden Business Services should require the Plant Maintenance and Operations Department to take all the steps necessary to implement a preventive maintenance program. These steps should include a review of the Maintenance Department's inventory of plant and equipment, identification of those items needing regular inspections and servicing, development of detailed checklists and standard times for accomplishing the work, and establishment of inspection schedules. The Maintenance Department should use the checklists and the standard times required to analyze how many and what type of staff are necessary to carry out a preventive maintenance program. This analysis should provide the basis for any staffing changes the prison proposes to the Department of Corrections.

RESPONSE

It is acknowledged that a Preventive Maintenance Program is necessary. We are presently inventorying and making a list of all items of equipment and every building in the facility to determine what should be routinely inspected and

serviced. We are also in the process of obtaining the appropriate equipment operating manuals to determine the inspection and service requirements. We expect completion of the aforementioned by April 15, 1986, at which time an inspection and servicing schedule will be developed showing the frequency and service time required for each item.

The administration has not yet determined whether we have the staff needed to appropriately manage a good preventative maintenance program. However, if additional positions are justifiable, the appropriate BCP's will be prepared and submitted. The Warden has instructed the Associate Warden Classification and the Classification and Parole Representative to identify and transfer skilled inmates from other institutions if that is what it will take to make our preventative maintenance program work.

CHAPTER I

MAINTAINING PRISON FACILITIES

ITEM 1.2

Folsom's Plant Maintenance and Operations Department has misplaced some work orders and has not effectively assigned priorities to others.

RECOMMENDATION

Folsom's Chief of Plant Operations should continue his efforts to set priorities and better control work orders so that they may be tracked, completed according to their priority, and returned to his office. The Chief of Plant Operations should define in written guidelines what constitutes a "first-priority" work order. The assistant to the Chief of Plant Operations should also record in the work order log the priority of each work order and the date the work order is completed, and then file the work orders in numerical order. The Chief of Plant Operations should routinely track the progress of all work orders, follow up on all first priority work orders not complete, determine their status from supervisors, and provide a monthly report to the Warden.

RESPONSE

The Maintenance Department recognizes the need to effectively control work orders and is in the final stages of completing a new written work order procedure. Under the new system all work orders will be numbered, prioritized

and logged. The new system is designed to address planning, scheduling, monitoring and inventory. This procedure will be effective no later than 3-10-86. The Auditor General's staff mentioned specific needs that were unaddressed as of October 1985. The dishwasher has been repaired and the open sewage pipe has been properly sealed. The need for medicine cabinets in the pharmacy no longer exists as shelves have been constructed for medicine storage. The discrepancies related to loose wiring are being fixed by the Maintenance Department.

CHAPTER II
PROVIDING VOCATIONAL EDUCATION TO INMATES

ITEM 2.1

Folsom's Vocational Education Program is not meeting enrollment or attendance quotas.

RECOMMENDATION

Folsom's Warden should consider allowing more medium custody vocational inmates to attend classes during lockdown, Folsom should evaluate its security needs for the Vocational Shops in the lower yard to determine the costs and benefits of increasing security to allow increased enrollment and attendance. Folsom should also consider assessing those inmates with higher than medium custody to determine whether more inmates can be enrolled in vocational courses.

RESPONSE

During an emergency, suspension of programs for safety and security reasons, the entire inmate population is confined to their cells. Vocational staff are utilized to support custodial operations and are unavailable to perform their regularly assigned task. As the institution gradually returns to normal operations and vocational instructors return to normal duties, inmates under their supervision are allowed to return to classes following an individual case by case evaluation. As of September 1985, a concerted effort to review all

Close custody inmates for possible custody reduction was implemented. Custody reduction is based on security needs and individual case factors.

A preliminary evaluation into the feasibility of increasing security measures needed to allow Close custody inmates in the lower yard has been conducted. It has been determined that placing close custody inmates in the lower yard could be a workable situation. However, in order to accomplish this task, major plant modifications and increased staffing levels are necessary. Budget change proposals for additional positions and major capital outlay requests for construction are being prepared by Folsom. A departmental evaluation of the proposals will be completed.

CHAPTER II
PROVIDING VOCATIONAL EDUCATION TO INMATES

ITEM 2.2

Time cards for inmates enrolled in the vocational education program at Folsom are not always accurate.

RECOMMENDATION

Folsom's Supervisor of Vocational Instruction (S.V.I.) should ensure that instructors follow the Department of Corrections recent guidelines for accounting for attendance in vocational classes. The S.V.I. should develop methods to verify the accuracy of time cards such as spot checking time cards for consistency with gate logs. Further, the Department of Corrections inmate education and training office should explain how an inmate may still receive credit for attendance in a vocational course for days on which the inmate is not in class. Finally, Folsom should ensure that all vocational education instructors are trained in the appropriate timekeeping procedures.

RESPONSE

The S.V.I. will schedule three In-Service Training sessions on the accurate maintenance and accounting procedures governing attendance records and time cards completion for inmates participating in vocational programs. This training will be mandatory for all vocational instructors. Departmental

guidelines will be strictly adhered to by all employees. The S.V.I. will spot check time cards, gate logs and attendance records for consistency on a monthly basis. A negative attendance report will be completed by the lower yard gate officer and submitted to the SVI. This will be used as an additional cross-check of inmates attendance reports and time cards. A review will be conducted of files available of prior enrollees to correct credits not earned. This review will be completed by July 1, 1986. A negative report and accountability of inmate attendance will be conducted daily.

CHAPTER II

PROVIDING VOCATIONAL EDUCATION TO INMATES

ITEM 2.3

Hours that inmates earned toward completion of vocational courses do not reflect the time they actually spent in training.

RECOMMENDATION

Folsom's Supervisor of Vocational Instruction (S.V.I.) should explain formally and in writing to all vocational instructors the Department of Corrections' August 1985 guidelines for completing attendance records, including the treatment of time, such as lockdown time, that inmates do not spend in class. Folsom's Warden should issue a directive explaining how attendance hours should be accumulated for work that inmates complete in their cells and providing a method for verifying such work. Additionally, the S.V.I. should ensure that the attendance hours of inmates who have participated in Folsom's Vocational Education Programs are corrected.

RESPONSE

During the month of March 1986, the S.V.I. will meet individually with each instructor to explain formally and in writing CDC's guidelines for completing attendance records. These meetings will be followed by weekly spot checks until records are 100% accurate. Inmates who are currently enrolled in a vocational course will have their attendance hours corrected retroactive to July 1, 1984. There is no general population vocational cell study program at this time and none is contemplated. There will be two pre-vocational cell study courses for Security Housing Units as required by the terms of the permanent Toussaint injunction.

CHAPTER II
PROVIDING VOCATIONAL EDUCATION TO INMATES

ITEM 2.4

The Vocational Education Program is not complying with certain policies designed to improve the quality of training.

RECOMMENDATION

Folsom's Supervisor of Correctional Education Programs (SCEP) should ensure that the Supervisor of Vocational Instruction (SVI) follows CDC policies for conducting annual review of courses, maintaining Trade Advisory Committee (TAC) contacts, establishing inmate advisory and safety committees, and maintaining safety committee records. The SCEP should also establish a written format to be used by the SVI for the annual course reviews. Further, the SVI should ensure that job market surveys for vocational courses include surveys of major employment areas in the State.

RESPONSE

A review and update of course outlines for all vocational programs was begun in November 1985. The SVI has course outlines for all but one course, and that is currently being developed. The SVI will conduct an ongoing annual review of vocational programs as follows: One half of all programs not later than June 30, and the remainder not later than December 31. Review shall include course content, materials, methods, curriculum outline and progress charts.

This report will be submitted on a document to be formulated by the SCEP.

Inmate advisory and safety committees will be established and functioning with written minutes not later than March 17, 1986. The TAC is being re-established and will meet in accordance with established departmental guidelines. The SVI has extensive experience in previous job market surveys, particularly in the Southern California area and will assist to the fullest extent possible.

CHAPTER III

PROVIDING WORK FOR INMATES

ITEM 3.1

Folsom is not providing sufficient work, training and educational assignments.

RECOMMENDATION

The Department of Corrections and Folsom should consider hiring additional work or training supervisors in light of the ultimate cost savings from fully assigning inmates. For example, Folsom's Classification Division and the Department of Corrections should continue efforts to expand the prison's academic education program, including in-cell study, to increase assignments and to meet the needs of more inmates with less than eighth grade educations. To expand its academic educational program, Folsom should also consider options such as alternative class sites to address problems of classroom space.

Folsom's Classification Division should continue to review and reassess those inmates having close custody status to determine whether any inmates can be assigned medium custody and thereby fill work or training assignments previously unavailable to them. Further, Folsom's Assignment Lieutenant should consider reassigning some Medium custody inmates who are assigned to work or training assignments that are also open to Close custody, thereby enabling more close custody inmates to obtain assignments. The Assignment Lieutenant should also periodically re-evaluate all work and training assignments systematically to ensure that Folsom is placing as many inmates as possible in assignments.

RESPONSE

The recommendation provides Folsom and CDC with some good ideas to use in the continual review of assignments. At this time, education enrollment and attendance records and inmates who have close custody status are being evaluated to assist in meeting the goal of full employment.

A plan to relocate the education program is being developed by Folsom and will be evaluated by the Department. Additionally, positions have been approved for cell study programs within the SHU and will be utilized to provide credit earning assignments.

Folsom has developed reorganization plans that will provide for the Inmate Assignment Lieutenant and the IWTIP Coordinator to report administratively to the Associate Warden, Program Services. This will provide for on-going audits of inmate assignments, and increased coordination of staff efforts to maximize inmate assignments.

Folsom has greatly increased the number of assigned inmates since the audit. The following figures are indicative of the administrative actions to improve inmate assignment practices.

| <u>DATE</u> | <u>ASSIGNMENT QUOTA</u> | <u>TOTAL ASSIGNED</u> | <u>% OF QUOTA</u> |
|-------------|-------------------------|-----------------------|-------------------|
| 10-31-85 | 1605 | 1179 | 73.5 |
| 1-31-86 | 1590 | 1443 | 90.6 |
| 2-28-86* | 1719 | 1589 | 92.4 |

*These figures are based on rough draft computations and may vary a small degree.

CHAPTER III

PROVIDING WORK FOR INMATES

ITEM 3.2

The Assignment Office does not always assign inmates to jobs in the proper order.

RECOMMENDATION

The Assignment Lieutenant should develop and implement formal, written procedures for assigning inmates work and training assignments and for updating waiting lists that ensure that assignments are made equitably. Additionally, to reduce errors, Folsom should consider automating the waiting list. Automated lists could include the date the inmate signed up for work or training assignments, his custody level, race, language disabilities, length of prison term, skills, and work or training preference.

RESPONSE

Formal written procedures have been developed for the placement of inmates in work and training assignments. The addendums have been submitted for evaluation and approval for inclusion in Warden's Directive #203, Inmate Work Ethics. These changes specify the Inmate Assignment Lieutenant's responsibilities for assignment of all inmates in the general population to jobs for which they are best qualified, as determined by the Reception Center and the

Initial Classification Committee - taking into consideration skills, abilities, temperment and custody status. The Assignment Office has instituted a cross-reference waiting list system to enhance the integrity of the existing system, i.e., reduce errors which, in turn, reduce number of inmates bypassed for assignment. This is an interim measure while the Department of Corrections Task Force on the Distributed Data Processing System develops an automated statewide system for assignments, statistics and waiting lists (projected for June 1986) .

The practice of bypassing an inmate based on the length of his term has been discontinued. Reasons for bypassing an inmate on the waiting list will be the requirement of special skills, required custody level for work area or to maintain racial balances in each work area.

CHAPTER III
PROVIDING WORK FOR INMATES

ITEM 3.3

Folsom's vocational programs do not all contribute to Folsom's self-sufficiency.

RECOMMENDATION

The Warden should assign the Chief Deputy Warden to oversee the activities of the newly formed committee to ensure that it maximizes Folsom's efforts to achieve self-sufficiency in maintenance and other prison functions. In addition, the Warden should direct the Supervisor of Correctional Education Programs to review and access the vocational education courses to determine whether other courses such as plumbing, carpentry and electrical would more effectively help Folsom achieve self-sufficiency while teaching inmates marketable skills.

RESPONSE

The Chief Deputy Warden has established a nine member committee to evaluate and determine work and training assignments needed to maximize self-sufficiency in maintenance and other prison functions. The Committee will meet prior to 4-1-86.

CHAPTER IV

MAINTAINING INMATE RECORDS

ITEM 4.1

Folsom counselors do not always promptly and accurately recalculate classification scores.

RECOMMENDATION

Folsom's Classification Division should ensure that all inmates have reclassification score reviews at least once a year and that inmates whose reviews are postponed are promptly rescheduled for reclassification review. Also, Correctional Counselors should consider maintaining their own case logs in addition to utilizing schedules that the Records Office provides. Folsom's Classification Division should request the prison's In-Service Training Office to provide initial and periodic training sessions on calculating reclassification scores. In addition, Department of Corrections staff should provide training on the instructions contained in the new Classification Manual.

RESPONSE

As a result of CDC Classification Services Audit of Folsom in August 1985, all counselors and supervisors have been instructed both in writing and verbally to review an inmate's classification score, update to current status if necessary, at every classification hearing and each time an inmate's file is reviewed for

any reason. A quarterly printout of CDC 840 update status has been initiated as an internal audit. Supervisors are being directed to audit classification score computations more carefully and to emphasize ongoing training of all counselors. In-Service Training will be scheduled immediately, using Folsom supervisory staff and Classification Services staff, as follow up, when the revised Classification Manual is distributed (due April 1986). Counselor's use of case books is being strongly recommended. Presently, SHU counselors use them with great effectiveness. The case book will be given high priority when program unit management is implemented. The present administration at Folsom is currently changing the reporting/supervision lines of authority to insure adequate management of the Classification processes whether the inmate is in SHU or General Population status. This reorganization will be fully implemented by July 1986.

CHAPTER IV

MAINTAINING INMATE RECORDS

ITEM 4.2

Folsom's Classification Division did not conduct prompt reviews for inmates in Security Housing Units.

RECOMMENDATION

The Department of Corrections should consider a change in the staffing ratio for SHU counselors, based on results of the workload study that its management analysis section is performing. In addition, Folsom's Classification Division should assure that correctional counselors have access to SHU inmates' case files in time to conduct the initial reviews within the required 10 days. Also, Folsom's correctional counselors should ensure that SHU inmates receive their 120-day reviews within the time limits.

RESPONSE

SHU counselors presently have and will continue to have access to an inmate's central file within 10 days of assignment to SHU by the Institutional Classification Committee. SHU Counselors are meeting classification requirements as set forth in the permanent Toussaint Injunction. SHU Counselors will be directed to place stronger emphasis on meeting the 120 day classification review deadline. Recent approval of two additional counselor

positions in SHU will help alleviate the problem and improve caseload service effectiveness. The need for CC II's to supervise and maintain a portion of the caseload in SHU is being reviewed by the Institutions's Division.

The recommendations of the Correctional Counselor I Workload Study are being evaluated at the departmental level. Any change in the current staffing ratio must be approved by the Department of Finance. Once the review is completed, budget change proposals will be prepared at the departmental level.

CHAPTER IV
MAINTAINING INMATE RECORDS

ITEM 4.3

Folsom's records office does not always accurately record or correct work credits.

RECOMMENDATION

To plan accurately for necessary staffing, Folsom's records office, in conjunction with the correctional case records office in the Institutions Division of the Department of Corrections, should analyze the number of staff and supervisors necessary to carry out the workload for each required case record function, including work incentive program timekeeping, Toussaint injunction requirements, and complete audits of case files. The Department of Corrections' chief of correctional case records should adjust staffing at Folsom according to this documented workload.

Folsom's records office should routinely check the accuracy of inmates timecards and periodically audit the data in the Offender-Based Information System. The records office should also ensure that all of the work credits, credit losses, and restorations of credits in each inmate's file are accurate before the inmate is transferred to another prison or paroled.

The Department of Corrections should approve and distribute its revised Case Records Manual. The revised manual should include procedures that ensure that records offices at each prison correct errors in work credits in the Offender-Based Information System before an inmate transfers to another prison.

In addition, the Department of Corrections should evaluate the complexity of the work incentive program timekeeping system to determine whether portions can be streamlined or automated further to increase its accuracy and reduce excessive workloads in the records offices.

RESPONSE

The Chief, Case Records Services, has conducted staffing need surveys. A comprehensive workload study to identify the need for additional positions is being evaluated by the department. In the interim, three Office Assistant II and one Case Records Specialist positions were redirected in January 1986, which will assist in meeting work commitments.

A complete credit audit for all intake, transfer and parole actions is standard procedure. The audit insures that all credit gains, credit loss and restoration, and change of credit earning status is accurately computed and entered currently into OBIS.

Folsom verifies accuracy of time card calculations prior to entering work credit gain into OBIS. Credit losses and restorations and credit earning status changes are audited and verified immediately on completion of the classification process and entered into OBIS.

Highest priority has been given to a double audit of close parole dates to ensure the release date is accurate and legally correct. Credit restoration or change due to court decisions and inmate appeal actions have resulted, and will continue to result, in a small number of last minute changes in release dates.

The Case Records Manual for the Department is being revised at this time.

Automation of the IWTIP timekeeping system is being developed.

CHAPTER V
PROVIDING ANCILLARY SERVICES TO INMATES

ITEM 5.1

Folsom is not meeting policy time limits in processing inmate appeals.

RECOMMENDATION

To expedite Folsom's appeals process, Folsom and the Department of Corrections should consider using a multi-part appeal form that will allow an inmate to retain an original copy while sending other copies to the appeals coordinator. The appeals coordinator could retain a copy and distribute the remainder to the associate wardens whose divisions are responsible for responding to the appeals. In addition, to more easily log and track inmate appeals, staff in the appeals coordinator's office should also stamp each appeal form immediately with the date and time that the office receives it at each level of review. Folsom should also consider automating its appeals log so that the appeals coordinator can detect overdue appeals immediately. In addition, the appeals coordinator and division heads should establish due dates for responses that will allow Folsom to return the appeals to inmates within required time limits. Finally, Folsom should evaluate the workload of the appeals coordinator and determine whether additional staffing may be necessary to expedite the processing of appeals.

RESPONSE

Each Division Head has his/her own log to track appeals assigned to their respective section. The January audit disclosed two divisions not complying with due dates. Although the numbers of overdue appeals has been substantially reduced, continued emphasis will be placed on processing inmate appeals to bring it into full compliance.

CDC is in the process of automating various components of its operation. Inmate appeals is one such component to be automated. It is anticipated that part of the automation process will be completed by November 1, 1986. At this time it does not appear that using a multi-part appeal form will alleviate any current processing concerns.

Folsom shall comply with regulations governing inmate appeals time constraints. Appeals will be stamped with the date received and returned with fifteen days allotted for the first level response and ten days for second level response. Folsom will monitor compliance by frequent audits of the institution Appeals Log, and will compile a monthly "Overdue Appeals Report" which is forwarded to the Chief Deputy Warden for his review.

The workload of the Appeals Coordinator is being evaluated by the Associate Warden Program Services and the Chief Deputy Warden to determine if additional staff is needed and, after the July implementation of the "Unit Concept", adjustments will be considered.

Some delays developed when a secretarial vacancy in late 1985 hampered the overall flow of the paperwork. Now that authorized staffing is in place the system is functioning at a much higher level of compliance.

CHAPTER V

PROVIDING ANCILLARY SERVICES TO INMATES

ITEM 5.2

The Custody Division's records of SHU living conditions and services provided to SHU inmates are incomplete.

RECOMMENDATION

Folsom should ensure that all new staff assigned to the SHU buildings, including any relief staff, be instructed on providing and documenting Folsom's compliance with the Toussaint injunction. Such instruction should include discussion of problems that the Institutional Inspection Panel detects in its audits of cell conditions and ways to solve those problems.

RESPONSE

All new employees assigned to the Security Housing Units receive on-the-job training by the Unit Sergeants in the proper logging of the Toussaint required services on the CDC 114-A. Formal In-Service Training classes are conducted on a quarterly basis covering all areas of the Toussaint Permanent Injunction and the methods of documenting the required inmate services. These classes are mandatory of all employees assigned to the Security Housing Units. In addition, all CDC 114-A's are now being audited at random on a daily basis by Unit Sergeants to detect errors followed by those persons responsible receiving corrective on-the-job training. Documentation errors detected by the

Institution Audit Team are rectified through the use of a corrective action plan with a written response required by the Unit Lieutenants to prevent further discrepancies. Now that the SHU Correctional Officer positions are in the Post Assignment schedule, assignment changes will be less frequent, allowing for stability in the work force. The staff turnover rate in SHU positions contributed to omissions on documentation of services to inmates. Internal audits are now reflecting a higher level of compliance to the court mandates for inmate services.

A reorganization of the Security Housing Unit management staff will assist in monitoring the operations. These reorganization plans are now being submitted for Department review and approval.

The established monthly inspection by Associate Wardens has proven to be a valuable resource for audit and documentation of compliance with Toussaint, and identification of areas requiring action to correct areas of non-compliance.

CHAPTER V
PROVIDING ANCILLARY SERVICES TO INMATES

ITEM 5.4

The mail room does not always verify confidential mail.

RECOMMENDATION

Mail room clerks should verify the confidential status of each correspondent and note the source of the verification on the inmate's mail record the first time the correspondent's name appears. To clarify the status of the title "Esquire" and any other ambiguous designations, the mail room sergeant should revise the guidelines for verifying confidential mail and ensure that all staff understand the revised guidelines. The mail room sergeant should periodically verify outgoing and incoming confidential mail that mail clerks have already checked.

RESPONSE

The mail room staff have been trained to properly identify confidential mail. The departmental policy is posted at each work station. Mail room staff verify all questionable confidential mail by consulting "The Parkers Directory of California Attorneys" and/or the State Bar Association, as well as other resources (i.e., current legislative directories). The mail room Sergeant verifies incoming and outgoing confidential mail on a daily basis. A thorough review of the workload and operational practices of the mail room is currently being conducted. Procedures consistent with departmental policy will be developed and implemented at the completion of this study in late March or early April 1986.

CHAPTER V
PROVIDING ANCILLARY SERVICES TO INMATES

ITEM 5.5

Delivery records for certified and registered mail are incomplete.

RECOMMENDATION

The mail room should ensure that correctional officers responsible for delivering mail follow standard procedures for distributing certified and registered mail as outlined on the covers of the mail logs. The mail room sergeant should improve mail delivery procedures and instruct officers to note on the mail log when an inmate is no longer housed in the cell indicated on the letter. Additionally, mail room staff should note in the log books the disposition of undelivered certified and registered mail.

RESPONSE

The mail room has revised the standard procedures for delivering certified/registered mail. A memo was issued to all third watch staff emphasizing the importance of accounting for certified/registered mail. The mail room ensures the distribution of certified/registered mail by the Third Watch staff. The certified log books are checked for signature upon receipt in the mail room. If a signature has not been obtained for certified/registered mail, the mail room staff research and correct the problem immediately. A signature is either obtained or a final disposition of undelivered mail is made.

The reason for non-delivery is now logged in the certified/registered book in place of the signature. The disposition/destination of all certified/registered mail is accounted for on a daily basis.

CHAPTER VI

FEEDING INMATES

ITEM 6.1

The Food Services Department is spending more on food than necessary.

RECOMMENDATION

The Food Services Department should develop better controls over food. The Food Services Department should ensure that all employees, including the butcher, appropriately supervise inmate workers whenever inmates are working with food. The Food Services Department should also keep all food storage areas locked unless staff are present, and the Food Services Manager should provide written instructions on portion sizes for all food items. Further, the Food Services Department and the Custody Division should ensure that inmates receive only authorized portions and that all inmates (including inmate workers) receive only one serving per meal. In addition, the Food Services Department should routinely count, measure, or weigh unprepared and prepared food at important points in the food storage, preparation, and serving process. The Food Services Department should use scales and mechanical counters where appropriate. The Food Services Manager should regularly reconcile the meals served to meat portions consumed and report at least monthly to the Associate Warden for Business Services on excess consumption and food waste.

The butcher should not allow inmates to take or consume food stored in the butcher shop. Also, the Associate Warden for Business Services should reiterate to Folsom staff the rules and regulations prohibiting employees from eating inmates' food. In addition, the Associate Warden for Business Services, the Business Manager, and the Food Services Manager should make periodic, unannounced visits to check for employees who violate regulations prohibiting the consumption of inmates' food and notify employees of the specific disciplinary action that will be taken against violators.

RESPONSE

The Auditor General's report addressed issues related to the Butcher Shop and the activities of those staff. Close supervision of staff in this area has been ordered.

As required by Toussaint vs. McCarthy, Folsom State Prison will construct a new kitchen. Construction is anticipated to begin in March 1987. This kitchen will consolidate all functions, i.e., bakery, main kitchen, vegetable preparation, storage, etc., and a new butcher shop. This will allow for more effective controls than are now available due to existing operations being separated by as much as 500 feet and the main inmate yard. In the interim, additional scales have been purchased to supplement existing equipment and serving portions are being measured. Further, serving line officers and staff are being given a meal sampler report for each meal which lists the items, including portion size, to be served to the inmate. Lines of authority have been clarified and staff duties clearly explained. Finally, all food storage items within the kitchen (including butcher shop) are kept locked with inmate

access afforded only if staff is present. The Food Manager and Supervising Cook II are conducting daily inspections of the food services to ensure compliance with the above procedures and that staff are exercising proper supervision of inmates.

A more detailed procedure in the areas of food storage, preparation and the feeding process is being written and will be implemented by May 1, 1986.

CHAPTER VII

PROCURING GOODS AND SERVICES

ITEM 7.1

The Procurement Office does not comply with state purchasing guidelines.

RECOMMENDATION

The Equipment Maintenance Supervisor should seek price quotations in accordance with the Department of General Services' delegation of purchasing authority. In addition, the Equipment Maintenance Supervisor should buy through State contracts items that are available through these contracts. The Procurement Officer should carefully review all purchases and approve only those purchases that comply with established State procurement requirements. Furthermore, the Procurement Officer should not rely on the Equipment Maintenance Supervisor's judgment or the approval of the Office of Fleet Administration's Inspector of Automotive Equipment as a certification that a purchase is an emergency purchase. Instead, the Procurement Officer should carefully review all delegated purchase orders and determine if the purchases qualify as emergency purchases according to the guidelines in the State Administrative Manual. Finally, the Associate Warden for Business Services or his authorized delegate should certify that the emergency conditions require immediate procurement as authorized by the State Administrative Manual.

RESPONSE

Beginning with the Third Quarter of 1985/86 Fiscal Year competitive bids have been obtained for Garage purchases as well as all other appropriate purchases. Where State contracts do not specify minimum purchase requirements, thus restricting our use, they are used. Example: State Contract #1-86-61-01 provides vehicle batteries under the following terms - Delivery 15 days after receipt of order; minimum order 400 pounds. We will use this contract for the majority of purchases. However if we have a CDC transport bus or inmate transportation van inoperative, we will have to consider a competitive procurement in the community after considering small/minority vendors and the documented nature of the emergency because we need the battery now and do not store large numbers of this type battery.

Purchases will require the Procurement Officer's approval and will only be authorized in accordance with SAM Section 3511. The Business Manager will review all emergency purchases quarterly.

Finally, the Procurement Officer and his staff are receiving ongoing training on the contents of SAM Sections 3511 and 1200.

CHAPTER VII
PROCURING GOODS AND SERVICES

ITEM 7.2

The Procurement Office has accepted purchase requests not approved by authorized personnel.

RECOMMENDATION

The Procurement Office should maintain on file a list of all staff and their respective signatures, who occupy the positions identified in Warden's Directive No. 414 as amended. The Procurement Office should refer to this list when necessary to verify that the signature on a purchase request is that of an authorized person.

RESPONSE

Warden's Directive No. 414 was amended to include the titles of appropriate staff who have the authority to sign Purchase Requests. This listing is currently being used by the Procurement Officer. Any inappropriately approved Purchase Requests (STD. Form 5) are being returned to the Division Head.

CHAPTER VII
PROCURING GOODS AND SERVICES

ITEM 7.3

The Procurement Office needs to formalize its procedures for ordering services and repairs.

RECOMMENDATION

Folsom should develop more extensive written policies and procedures to govern the use of its services and repair orders. The policies should clarify when, and for what type of procurements, staff should use SRO's rather than purchase orders or formal contracts, such as obtaining a one-time service not requiring the expenditure of more than \$3,000, when it is not practical to advertise in the State Contracts Register. The procedures should require competitive price estimates and specific justification if competitive estimates are not sought for services and repairs totaling more than \$500. For any service of a hazardous nature, vendor must be required to provide evidence of public liability insurance. Furthermore, the guidelines should require a responsible employee who knows the emergency situation, such as a department head or an associate warden, to certify in writing when emergency situations do not allow time for competitive estimates.

RESPONSE

Warden's Directive #407, Property and Equipment, will be amended to clearly state the requirements outlined in the State Administrative Manual, Section

1200. We believe service and repair orders are simply a "contract" as described in Section 1200 of S.A.M. This section requires bids, justification, and identification of need. We recognize that in some instances only telephone bids will be possible. However, in those cases the file will be provided with a written justification of the "emergency". This written need will be signed by the appropriate division head. Division Heads have been reminded that they will be responsible for notifying the Property Officer when equipment leaves the institution for repairs and when it returns. The Division Head will also insure that the invoice for repairs is approved, if appropriate, and submitted to the Accounting Officer for prompt payment. The Garage Manager and the Procurement Officer have been instructed that an "approval for repairs" from Fleet Administration Division does not justify, in and of itself, an emergency purchase. Finally, in those instances where we write a service and repair order for a "hazardous-nature" service, all applicable insurance certificates will be attached. Once again, this need is outlined in S.A.M. 1200 and are as applicable for service orders as they are for "contracts".

CHAPTER VII
PROCURING GOODS AND SERVICES

ITEM 7.4

The Procurement Office does not always comply with State and departmental guidelines for contracting for services.

RECOMMENDATION

The Business Services Division should implement a system by which the Business Manager can review the contracts at various stages of the contracting process to verify that Folsom is complying with State contracting guidelines. Procurement Office should ensure that all contracts for more than \$500 are advertised in the State Contracts Register and that the prison obtains at least three price quotes for all contracts advertised by Folsom.

Also, the Procurement Office should implement the procedure requiring the various Folsom departments for which contractors perform work to complete the Contractor Evaluations near the contracts' ending dates. The Procurement Officer should show the department how to accurately complete the forms. The procedure should also allow the Procurement Officer time to review, sign and submit the completed forms to the Department of Corrections and the Department of General Services' Office of Legal Services within 30 days after each contract's completion.

RESPONSE

The Associate Warden-Business Services has implemented a "check list" procedure wherein each step, stage and aspect of each contract is appropriately reviewed prior to completion. This checklist is submitted to the Business Manager along with the contract when the contract is signed by the Business Manager. All contracts for more than \$500 are being advertised in the State Contracts Register unless exemption has been granted. At least three (3) price quotes are being sought and, in those cases where three price quotes cannot be obtained, documentation is being placed in the contract.

A Contractor's Evaluation Form (Std. Form 4) will be completed by the Department or Division Head for which the contractor performed the specified work. The Contractor's Evaluation Form will be submitted within thirty (30) days after each contract's completion. The Business Manager II will be responsible for reviewing the contract log quarterly to determine which contracts have been completed within the quarter and whether the Std. Form 4 has been properly completed.

CHAPTER VII
PROCURING GOODS AND SERVICES

ITEM 7.5

The Procurement Office does not make a fair share of its purchases from State certified small businesses. .

RECOMMENDATION

The Procurement Officer should issue, to all prison departments initiating purchases, the Department of General Services' list of State-certified small businesses and should provide training and guidance to the departments, encouraging them to solicit price quotations from small businesses. The Procurement Officer should also develop policies and procedures for screening vendors to ensure that all vendors Folsom claims as small businesses are, in fact, State certified small businesses. Furthermore, the Procurement Office should encourage local vendors to apply to be certified by the State as small businesses.

RESPONSE

In an effort to increase our participation with the small and minority business vendors in our geographical areas and to encourage staff participation in the program, the Business Manager has been in contact with the State Office of Procurement, Small and Minority Vendor Program. Staff from this office plan to visit the institution during March 1986 and have agreed to assist Folsom in implementing a program. When the program is in place, Department Heads will be given appropriate training. The General Services listing will be used and Folsom will meet the 25% purchasing goals for small and minority businesses.

CHAPTER VIII
MANAGING HOUSES RENTED BY EMPLOYEES

ITEM 8.1

The Department of Corrections needs to increase annual rental revenues at Folsom.

RECOMMENDATION

The Department of Corrections should increase rental rates of State Owned houses at Folsom as soon as possible to reflect market values. To do this, the Department of Corrections should meet and confer with the union regarding the method of determining the fair and reasonable value of the houses. The method should include a means of periodically adjusting the rates to reflect changes in fair market value. The Department of Corrections should then request that the Department of Personnel Administration approve the higher rental rates and amend the sections of the California Administrative Code that establish the rental rates for those houses.

RESPONSE

The Department of Corrections conducted meet and confer sessions with employee associations affected by State-owned housing rental rate increases. These sessions resulted in the agreement that an initial increase effective February 1, 1986, shall be 30% of the rate in effect as of January 1, 1986. Additionally, beginning July 1, 1986, and annually thereafter, for the duration

of the Collective Bargaining Unit Agreement (June 30, 1987), the Department of Corrections may raise the rental rates by a maximum of 30% of the rates in effect February 1, 1986, with the exception of Bargaining Unit #16, which limits the amount of increase to ten (10) percent. Increases after June 30, 1987, and the amount thereof are subject to the collective bargaining process. Folsom has implemented these rate changes.

CHAPTER VIII

MANAGING HOUSES RENTED BY EMPLOYEES

ITEM 8.2

The Warden needs to clarify the process for assigning rental houses.

RECOMMENDATION

The Warden should develop a standard process for assigning houses at Folsom by identifying job classes or types of employees that should have preference and by listing them in priority order. The Warden should also require the Associate Warden for Business Services to retain written records of the basis for each house assignment.

RESPONSE

A Warden's Directive #417, Employee Housing, was issued in December 1985, which identifies the basis upon which residences will be assigned and is as follows:

1. First priority shall be given to those staff whose services may be needed after normal work hours, on a frequent and/or on-going basis, i.e.:
 - A. Executive or Supervisory staff
 - B. Maintenance, Medical, Culinary, Custody staff
 - C. Other designated staff as determined on a case by case basis.

2. Second priority shall be established on total seniority with the State of California.

Pursuant to the Directive, the Associate Warden Business Services will document the basis for each house assignment.

CHAPTER VIII
MANAGING HOUSES RENTED BY EMPLOYEES

ITEM 8.3

The Business Services Division exercises inadequate control over the collection of rents and the assessment of rental rates on State-Owned houses.

RECOMMENDATION

In revising the system, the Associate Warden for Business Services should implement procedures to control the collection of rents and the assessment of rental rates on State-Owned houses at Folsom. The Business Services Division should devise methods to ensure that it charges tenants the correct rate and that the Accounting Office knows when the tenant is either permanently or temporarily off the Folsom payroll. Each tenant should sign a standard rental agreement which stipulates rental due rates and provides sanctions for late payment, and the Business Services Division should apply the sanctions when tenants do not pay their rent on time.

RESPONSE

As noted, all incorrect assessments and omissions of payroll have been corrected. New procedures have been instituted per Warden's Directive #417, Employee Housing. Included in this procedure are:

1. Requirement that the Cashier/Accounting Officer notify Business Manager of rent due, collected and uncollected by the 20th of each month.
2. Notification by Personnel Office to Accounting Officer if employee is taken off payroll deduction status.
3. Standard Lease Agreement which will be signed by each resident. Agreement addresses rent due and sanctions for late payments (5% of rent due) not collected by the 10th of each month.

CHAPTER IX
CONTROLLING EMPLOYEES' USE OF STATE-OWNED VEHICLES

ITEM 9.1

The Garage cannot ensure that Folsom employees are properly using State vehicles.

RECOMMENDATION

The Garage should maintain travel logs for all vehicles that Folsom employees drive off the prison grounds, unless the prison receives a written exemption from the Department of General Services' Office of Fleet Administration.

RESPONSE

Effective January 9, 1986, travel logs were installed in all vehicles which are driven off prison grounds. At the end of each month, the log sheets of each vehicle are sent to the Garage for calculation of the miles. In addition, as a further control mechanism, the Entrance Gate Officer logs all vehicles which are driven off grounds. The Garage mileage figures are then reconciled with the records kept by the Entrance Gate Officer. The Garage Supervisor is responsible for the above procedure. These figures will be forwarded to the Accounting Officer and reviewed by the Business Manager.

CHAPTER X
ACCOUNTING FOR STATE FUNDS

ITEM 10.1

The Custody Division's timekeeping system is deficient.

RECOMMENDATION

The Custody Division should adopt a timekeeping system that provides an accurate account of the actual hours that each employee works. The Custody Division should explore the possibility of using timeclocks or timesheets signed by immediate supervisors.

RESPONSE

A complete revision of the Custody timekeeping procedure was effected on February 24, 1986. The system is designed to insure that employees are compensated only for the hours they actually work. The revision also incorporates the requirements of FLSA, in accordance with instructions by DPA. The issue of inappropriate compensation for overlapping shifts is corrected by the current procedures. The accuracy of time sheets are verified by the employee's immediate supervisor.

CHAPTER X
ACCOUNTING FOR STATE FUNDS

ITEM 10.2

The Personnel office has made errors in its request for payment of premiums for working evening and night shifts.

RECOMMENDATION

The Personnel Office supervisor should explore limiting access to the Personnel Office during periods of payroll processing. In addition, the Personnel Office supervisor should periodically review the requests for payment of shift premiums to detect and correct errors.

RESPONSE

The processing of payroll for employees occupies a major portion of the Personnel Office's time at various intervals throughout the month. While the closure of the office would result in less distractions, it would also result in our Personnel Office being unable to service employees' ongoing needs, (i.e., questions regarding health programs, workers compensation, leave credits, payroll deductions, etc.) The workload which exists in our Personnel Office is well documented. The Department of Corrections has completed a study which has resulted in the submission of BCP's for additional staff. It is anticipated that an Associate Personnel Analyst position will be activated at Folsom on July 1, 1986. This augmentation will permit the Personnel Assistant II to supervise

CHAPTER X

ACCOUNTING FOR STATE FUNDS

ITEM 10.3

The Personnel Office does not request the recovery of all payments for unapproved sick leave.

RECOMMENDATION

The Personnel Office supervisor should develop a checklist to aid staff in remembering to request that the State Controller's office recover the variety of salary overpayments caused by unapproved sick leave. The Personnel Office supervisor should routinely check to see that employees who have been on sick leave have completed absence requests and that Personnel Office staff have asked the State Controller's office to recover all overpayments. Finally, the Personnel Office should request that the State Controller's office recover the \$239.36 in overpayments we identified.

RESPONSE

The Personnel Assistant II will develop the checklist recommended by the Auditor General's staff by April 1, 1986. The checklist will include the information required by the State Controller's Office to establish the Accounts Receivable and collect each overpayment. The Associate Personnel Analyst arriving July 1, 1986, will allow for the Personnel Assistant II to function more effectively as

a transactions supervisor and as such be responsible for auditing sick leave usage to ensure proper submittal of sick leave forms (STD. 634).

The Personnel Assistant II has directed staff to process the necessary documents to collect the \$239.36 in accumulated overpayments identified by the Auditor General's staff.

CHAPTER X

ACCOUNTING FOR STATE FUNDS

ITEM 10.4

The Personnel Office does not always accurately accumulate leave credits in calculating lump-sum payments for separating employees.

RECOMMENDATION

The Personnel Office should request that the State Controller's Office recover the \$192 overpayment and pay the \$141 that the State owes the underpaid employee. Further, the Personnel Office should review the lump-sum payments in Fiscal Year 1984-85 that we did not review and correct any errors it detects. Finally, the Personnel Office Supervisor should periodically review calculations of accumulated leave credits for lump-sum payments to detect and correct any errors.

RESPONSE

Staff from the Auditor General's Office provided the Personnel Assistant II with a list of errors that were identified. These errors have been or are in the process of being corrected. Upon activation of the Associate Personnel Analyst position, the activities of the PA II will be adjusted to provide audits of such transactions. In the meantime, the PA II has been instructed to delegate as much of her work as is reasonably possible. This will allow the PA II more time

to devote to transaction review. With the arrival of the Associate Personnel Analyst, the PA II will go back and review all 84-85 lump sum payments.

CHAPTER X
ACCOUNTING FOR STATE FUNDS

ITEM 10.5

Although the Personnel Office submits late claims for work related injuries, it adequately computes disability payment amounts.

RECOMMENDATION

The Warden should establish a system to promptly report work related injuries and illnesses, as required by the State Administrative Manual, so that the Personnel Office can submit claims to the State Compensation Insurance Fund within the five (5) day period allowed. He should develop a method to monitor the Personnel Office's performance to ensure compliance with State regulations. The Personnel Office should pay the employee for \$35.35 underpayment we found.

RESPONSE

The present system of submitting injury reports is being reviewed. The outcome of the review will result in a revised Warden's Directive outlining the process to be followed. Completion of this review and a finalized Warden's Directive is expected by April 30, 1986. Documentation has been prepared to pay employee for \$35.35 underpayment found.

CHAPTER X

ACCOUNTING FOR STATE FUNDS

ITEM 10.7

The Business Services Division does not sufficiently separate the duties of the employees who handle payroll warrants.

RECOMMENDATION

Business Services Division should not permit employees who process or sign any of the documents the State Controller's Office uses in preparing payroll warrants to also handle payroll warrants.

RESPONSE

The Senior Accounting Officer has notified all Division Heads that section level timekeepers will no longer be allowed to receive payroll warrants from the Paymaster. Each Section or Division Head now prepares a list of those people unable to pick up their own checks and this list is brought to the pay cage by someone other than the timekeeper.

CHAPTER X

ACCOUNTING OF STATE FUNDS

ITEM 10.8

The Accounting Office does not ensure that all of its salary advances are appropriate.

RECOMMENDATION

The Associate Warden for Business Services should require the Personnel Office to identify the purpose of each advance on all salary advance requests before submitting the requests to the Accounting Office.

The Accounting Office should not date earlier than January of the next year those salary advances issued for the month of December.

RESPONSE

Requests for salary advances sent to the Accounting Office presently contain the employees' name, reason for the advance and the pay period involved. Any salary advance must be approved by the Business Manager before the check is drafted. Salary advance checks issued for the month of December will not be issued with a date earlier than January of the next year.

CHAPTER X

ACCOUNTING FOR STATE FUNDS

ITEM 10.13

The Accounting Office appears to maintain proper control over Cash Disbursements.

RECOMMENDATION

The Chief Accounting Officer should ensure that all checks issued in excess of \$15,000 are signed by two authorized officers.

RESPONSE

The Accounting staff have been reminded that checks in excess of \$15,000 payable to some one other than the State Controller, State Treasurer, etc., must have two signatures. There are five people in the institution who have check signing authority. It is unlikely that we will find ourselves in a position where as many as four of these people are gone at one time.

However, we did find ourselves in that position recently - one signature was made. The check was clipped to the vendor invoice and placed in our safe. A well meaning clerk then saw the check and the invoice in the safe, took it out and processed it in an effort to insure the opportunity to meet discount requirements. This incident occurred on only one occasion and is not representative of normal procedure.

CHAPTER XI

ADMINISTERING FUNDS AND OTHER PROPERTY BELONGING TO INMATES

ITEM 11.1

Folsom is improperly restricting inmates' choice of vendors and does not make sufficient effort to obtain discount prices.

RECOMMENDATION

The Business Manager should revise the prison's procedure for purchasing special commissary items to require staff to make every effort possible to obtain discounts that can be passed on to the inmates. The Trust Office should attempt to locate more vendors who are willing to receive payment after the vendors deliver merchandise and who will sell special commissary items at the lowest possible price. Also, the Trust Officer should try to obtain from existing vendors discount prices on special commissary items. Finally, the Correctional Officer working in the Receiving and Release Office should carefully review all materials that vendors provide to the prison to ensure that he includes in the special commissary catalogs those items with the lowest possible prices.

RESPONSE

An effort is underway to expand the choice of vendors available to the inmates in keeping with the requirement that vendors must agree to post payment for goods delivered. The post-payment requirement was reviewed by the Auditor

General's staff and found to be a reasonable practice. ² Letters of introduction are being sent to vendors describing the program and soliciting their participation. Each vendor is being asked to provide a catalog and price list which will be made available to the inmates. We have contacted most of the major department stores in Northern California. Wards and Weinstocks do not accept post payment or subpurchase orders; however, we appear to be close to reaching agreement with Sears, Penney's and Best department stores. Sears, Penney's and Best also provide catalog service which is a necessary part of the inmates selection process.

Further, staff at Folsom are actively considering and reviewing the possibility that we can change our special commissary procedure in the following manner:

Parents, friends and/or other approved correspondents can purchase and have items mailed directly from the vendor to the institution within the restriction that all packages must come directly from the vendor not from the family or friend, etc., and is subject to thorough search.

CHAPTER XI
ADMINISTERING FUNDS AND OTHER PROPERTY BELONGING TO INMATES

ITEM 11.2

The Trust Office does not promptly transfer inmates trust funds.

RECOMMENDATION

The Folsom Trust Office should transfer inmate trust funds more frequently to ensure their compliance with the two-day transfer requirement. The Trust Office should rely on the transmittal sheet to identify the inmates that Folsom transfers to other institutions, and the Records Office should notify the Trust Office of inmate transfers that do not appear on the transmittal sheets.

RESPONSE

In the past, the Trust Officer transferred funds on a weekly basis. The Trust Officer is now making transfers in keeping with two-day transfer requirements. The Senior Accounting Officer is reviewing transfers on a random basis to ensure the new requirement is being met.

CHAPTER XI

ADMINISTERING FUNDS AND OTHER PROPERTY BELONGING TO INMATES

ITEM 11.3

The Custody Division does not properly record the handling of inmates personal property and safely store this property.

RECOMMENDATION

The Custody Division should designate a space on property receipt and inventory forms for employees to enter the date and time at which they assumed control over an inmate's property. Also, the Custody Division should not permit inmates to enter inmate property storage areas unattended. In addition, if the Plant Maintenance and Operations Department does not respond promptly to Division requests for repairs to inmate property storage areas, the Custody Division should notify the Associate Warden-Business Services of the existing conditions and of the necessity for repairs. Furthermore, the Custody Division should assign to one employee the responsibility for notifying the Security Housing Units that an inmate has been relocated and will not be returning to his cell.

RESPONSE

Two Correctional Lieutenants are currently in the process of conducting an internal audit and review of the Receiving and Release and Inmate Personal Property procedures. Results and recommendations from this review are due to

the Warden by April 1, 1986. In the interim, steps have been taken to insure compliance with established procedures. The safe keeping of inmates' property has been increased by properly documenting property, inventory and receipts, restricting storage area access to staff, repairing and/or designating new storage space, and changing locks.

CHAPTER XII
CONTROLLING EQUIPMENT, TOOLS AND SUPPLIES

ITEM 12.1

The Maintenance Department and Vocational Education do not adequately control their expendable supplies.

RECOMMENDATION

The Plant Maintenance and Operations Department should establish stock records for all supplies and conduct a complete physical inventory of all expendable supplies. Also, the maintenance warehouse supervisor should ensure that all items brought to and removed from the storage areas are accurately recorded in the stock records. In addition, Folsom should appropriately dispose of all obsolete and excess quantities of supplies identified during the physical inventory. Further, the maintenance department should establish a centralized warehousing system through which the chief of plant operations should require all maintenance staff to requisition supplies.

The maintenance warehouse supervisor should restrict access to the maintenance warehouse and all storage areas so that no one is in those areas unless accompanied by the maintenance warehouse staff. Furthermore, the maintenance warehouse supervisor should relocate his office to ensure that he can see all persons entering or leaving the maintenance warehouse.

The maintenance warehouse supervisor should keep all expendable supplies locked in the maintenance warehouse and storage areas whenever he is not present. In addition, the locksmith should change all of the locks in the maintenance department and the maintenance department should restrict access to the keys to the locks. Further, the maintenance department and vocational education staff should safeguard their expendable supplies by keeping all items in locked areas when staff are not using or supervising the use of these items.

RESPONSE

The maintenance warehouse is in the process of being moved to a new location that will allow all maintenance materials and supplies to be locked in a central area. As the supplies are moved they will be inventoried and recorded on the stock record cards. During this inventory all obsolete and excess supplies will be recorded and disposed of in accordance with established policy and procedures. When the move has been completed all materials and supplies will be under the direct control of the Warehouse Supervisor and will not be removed without being properly requisitioned and recorded in the stock records. Access to the warehouse is now limited to warehouse personnel and authorized warehouse supervising staff only. Any inmate in the warehouse will be under direct supervision by staff. All Maintenance Department purchasing, receipt, storage and distribution of materials and supplies will be conducted by the Warehouse Supervisor. The warehouse modification plan will include necessary controls of Vocational Education equipment, tools and supplies. In the interim, the Supervisor of Vocational Instruction is implementing internal audit and control for each vocational shop. A complete procedure to include an annual physical inventory will be developed by 4-1-86. Gate procedures will be modified by 5-1-86 to include a check in/out for equipment and supplies.

CHAPTER XII
CONTROLLING EQUIPMENT, TOOLS AND SUPPLIES

ITEM 12.2

The pharmacy cannot account for all of its dangerous drugs.

RECOMMENDATION

The pharmacy should maintain an accurate count of its dangerous drugs. The nurses' stations should identify, in writing, the quantities of drugs they request from the pharmacy and the quantities they dispense in the housing units, in accordance with the memorandums recently issued by the pharmacist and the chief medical officer.

RESPONSE

The Pharmacist will inventory medication supplies monthly instead of quarterly. Discrepancies will be reported immediately to the Chief Deputy Warden, via the Chief Medical Officer. Relevant memorandums (directives) by the Pharmacist and Chief Medical Officer will be followed. Additionally, a thorough review of the pharmacy records and nursing records will be implemented immediately. Accurate count of dangerous drugs will be conducted at each shift change and reconciled daily with the pharmacy per memorandum dated December 26, 1985, and subsequent directive. This practice is in effect now. Our definition of dangerous drugs comes from the California Pharmacy Law Book, 1985, Code 4213, which states a dangerous drug is "any drug deemed unsafe for self-medication".

Nurses are now identifying in writing the quantity of drugs they request from the pharmacy; however, we are still working out a practical accounting system for drugs dispensed on an individual basis in the housing units.

The issue of drug accountability has been discussed with the Chief of Medical Services in the Institutions Division. The Department is making an overall assessment of the pharmacy operations in all institutions in order to develop appropriate drug delivery systems and the most efficient use of personnel, while complying with legal requirements.

CHAPTER XII
CONTROLLING EQUIPMENT, TOOLS AND SUPPLIES

ITEM 12.3

The Property Office does not adequately control highly desirable and portable property items.

RECOMMENDATION

The property office should assign to an individual at each location throughout the prison the responsibility for sensitive property. In addition, the property office should require each individual to use a check-out, check-in system which includes the item's identification number, the person to whom the property is issued, its location, and the dates it is checked in and checked out.

Individuals who are assigned responsibility for property should notify, in writing, the property clerk of any removal of property items. At locations where it is not possible to assign responsibility to one person, employees should use a system by which each employee coming on duty signs a custody checklist for property at the location before relieving the employee going off duty. The property clerk should engrave certain items that may be otherwise difficult to identify.

RESPONSE

The Property Officer is presently completing an inventory of all equipment at Folsom State Prison. This task is time consuming in that Property Officer positions deleted in the early 1970's were not reestablished until recently.

The inventory, when completed, will allow for equipment to be assigned to positions in each area and establish a check in/check out or checklist system. The Property Officer has been directed to engrave all sensitive items.

Current procedures will be updated to advise staff that they may be held personally liable for property lost or damaged through negligence.

All towers, gun rails, and other armed posts currently have equipment logs for weapons, ammunition, and binoculars that are initialed each shift change.

CHAPTER XII
CONTROLLING EQUIPMENT, TOOLS AND SUPPLIES

ITEM 12.4

Unauthorized medical staff are prescribing and dispensing dangerous drugs illegally.

RECOMMENDATION

The Chief Medical Officer should ensure that only persons authorized by law prescribe and dispense dangerous drugs to inmates.

The Department of Corrections should initiate measures to ensure that only a registered pharmacist dispenses dangerous drugs to inmates.

RESPONSE

Dispensing of dangerous drugs (dangerous drugs defined as "any drug deemed unsafe for self-medication, per Code 4213 California Pharmacy Law, 1985) without prescriptions has been corrected by distributing such medications only with a signed prescription by a physician. However, M.T.A.'s will still be allowed to honor verbal orders of a physician in an emergency, with prescription to be signed by that physician within the next 24 hours. The Chief Medical Officer did not state or give permission for unauthorized medical staff to prescribe dangerous drugs. The Auditor may have construed some drugs as "dangerous drugs" although they are not considered as such by medical definition. ③

The Department of Corrections is conducting a feasibility study on the hiring of additional pharmacy personnel. This would result in meeting the requirement of the Business and Professions Code Section 4387, more frequent inventory of drugs, the expediting of medications would be more timely and the additional supervision of drug dispensing would result in increased control of pharmaceuticals.

The dispensing of dangerous drugs by an M.T.A., a Registered Nurse, or a Nurse Practitioner has been utilized on the Third Watch during the Sick Call for Work Incentive Program participants. The dispensing is under the supervision of a physician. This practice is necessary since there is only one Pharmacist position at Folsom. This Pharmacist is assigned to the Second Watch.

The Chief of Medical Services, Institutions Division, discussed this item at length with a member of the Auditor General's staff. It was concluded that the practices and procedures followed by medical staff in the institutions were necessary for their unique operation. It was agreed that, although these practices are not in complete compliance with the Business and Professions Code, they were appropriate based on current staff assignments. (4)

CHAPTER XIII
ASSIGNING STAFF

ITEM 13.1

Folsom does not cost effectively plan for all staffing requirements.

RECOMMENDATION

Folsom should assess its need for staff to fill at least a minimum number of sick and military leave relief positions. Folsom should analyze, by shift, its historical needs for these categories of relief, and it should consider the effect on overtime of new personnel hired for the expanded SHU. Folsom should compare the costs and benefits of hiring full-time personnel with the cost of hiring permanent-intermittent staff. If Folsom determines that permanent-intermittent staff are economical, Folsom should establish a plan by May 10, 1986, to maintain an established number of permanent-intermittent staff available for relief assignments.

RESPONSE

The Auditor's findings mention the department's elimination of permanent full-time sick leave coverage positions in favor of the use of overtime. What is not stated is that the use of permanent full-time positions created coverage problems, which resulted in overtime having to be used as well. Because of difficulty encountered in determining a consistently accurate amount of sick leave which might be used on a particular day or shift, often times the

permanent staff were insufficient to provide coverage or overage positions as no one had called in sick. It was decided that the elimination of permanent full-time sick leave positions, replaced by the utilization of permanent intermittent employees or overtime when necessary, would be the most economical means of coverage. (5)

The Department has long recognized the cost effectiveness of using Permanent Intermittent Employees (PIE's) to offset overtime expenses. Although the cost savings on the surface is not substantial when comparing overtime cost to a PIE's salary and benefits, their use does reduce the need for fulltime staff to work overtime. An indepth analysis indicates the use of PIE's is more economical than full-time employees in that PIE's are constantly being picked up as full-time employees. Therefore, the use of PIE's results in payment of salaries at the lowest end of the scale, whereas fulltime employees will eventually reach maximum salary. There is also a plus in the area of having on the job trained personnel to fill permanent vacancies from the permanent intermittent ranks.

Contrary to the Auditor's Report, Folsom does intend to maintain an established number of PIE's. At present Folsom has twenty-eight PIE's. (6) We plan to expand this number to 10% of the workforce by July 1986, with an additional increase to at least 100 in order to prepare for staffing at the new facility.

The change into the Unit Concept for General Population sections of Folsom, plus the reorganization of the Correctional Administrators' areas of responsibility and the changes forthcoming due to the positions coming on line for the new facility will restructure the entire organization of Folsom, thus the plan will continue to change with each major occurrence.

CHAPTER XIII

ASSIGNING STAFF

ITEM 13.2

Folsom is not complying with State Personnel Board Rules requiring all employees to work within their job classification.

RECOMMENDATION

Folsom should initiate measures to ensure that supervisors are working their employees within their job classifications. Also, the Associate Warden Business Services should review the organization chart and periodically monitor employee staffing to ensure that supervisors are supervising at least three employees. The Department of Corrections should periodically conduct audits of positions to ensure that employees are performing duties consistent with State Personnel Board specified job classifications.

RESPONSE

The Department of Corrections has requested and the 1986/87 Governor's Budget includes an Associate Personnel Analyst for Folsom State Prison. The duties of the new Associate Personnel Analyst will include the ongoing review of personnel duty statements and organization charts to monitor and preclude out-of-class assignments. Each year Folsom State Prison is required to submit its updated organization charts to Headquarters for revision. The Associate Warden Business

Services will review these charts to ensure supervisors are supervising the correct number of staff. There has been formal redirection of staff to insure that employees duties are consistent with their classification. To accommodate unitization which is scheduled for 7-1-86, several positions have been analyzed and submitted for redirection.

CHAPTER XIII
ASSIGNING STAFF

ITEM 13.3

Folsom supervisors do not comply with State and Departmental requirements concerning the duration, rotation, and reporting of acting assignments.

RECOMMENDATION

To avoid out-of-class work assignments, the Warden should require Folsom supervisors to comply with departmental regulations by terminating acting assignments within 60 days, rotating acting assignments or using limited term appointments when vacancies exceed 60 days. The Warden should require supervisors to record and document all acting assignments in compliance with departmental policy.

RESPONSE

The Warden has directed all Division Heads to review the State Personnel Board requirements for acting assignments. In addition, each Division Head is responsible for ensuring acting assignments are properly documented on the existing form letter available from our Personnel Office and for proper assignment rotation. Further, each Division Head will be responsible for preparing a monthly report beginning April 1986 to the Chief Deputy Warden/Warden listing all persons on acting assignments and the date assignment began.

CHAPTER XIV

TRAINING EMPLOYEES AND EVALUATING THEIR PERFORMANCE

ITEM 14.1

Folsom employees are not receiving sufficient training.

RECOMMENDATION

The Warden should direct all staff to obtain the amount and type of training that Department of Corrections regulations require. Also, the Warden should require supervisors to follow Department of Corrections regulations for completing annual training agreements with their employees. Supervisors should forward the training agreements to the Training Manager, who should use these agreements to develop and present courses that employees need. The Warden should also direct supervisors to submit written requests to the Training Office for courses that their subordinates need. Finally, the Warden should require representatives to the Training Advisory Committee to attend the Committee's quarterly meetings. The Committee should take an active role in planning the courses that the training program offers.

The Training Manager should compile a catalog of all In-Service Training courses and distribute the catalog to all supervisors.

The Department of Corrections should review all of its manuals and include any training requirement in a single training document.

RESPONSE

Notwithstanding departmental policy, budget constraints prevent CDC, as well as Folsom, from conducting training to the extent needed and outlined in the manual. Additionally the use of training agreements impacts upon the Fair Labor Standards Act (FLSA). The requirement to implement a training agreement plan with each employee may establish an obligation to pay overtime for any employee who takes a class or reads reference material on his/her own time in an effort to meet the terms of the training agreement made with the supervisor. The concept for implementing this type of program at Folsom will specify the agreement must be approved by the Training Manager. This enables IST to maintain control over the amount of time/expenditures for individual training needs and still meet the mandatory requirements.

A temporary Training Manager has been appointed. The Department has canvassed for applicants for permanent Manager and the approval to hire is being reviewed at the Department level. He/she will be directed to develop a catalog of courses. Completion of this project is anticipated by May 15, 1986. Division Heads have been charged with submitting written requests for needed divisional or personal training needs to the Training Manager. The Training Manager and Training Advisory Committee will coordinate in creating formal action plans. The Warden has notified Division Heads that their representatives on the Training Advisory Committee will attend meetings which are now being held on a regular, scheduled basis.

CHAPTER XIV

TRAINING EMPLOYEES AND EVALUATING THEIR PERFORMANCE

ITEM 14.2

Employee evaluations are not always accurate and prompt.

RECOMMENDATION

The Warden should require supervisors to make accurate performance appraisals and to consider incidents leading to adverse actions when they complete annual performance appraisals for their subordinates. The Warden should also require supervisors to review the employee's personnel file before recommending approval or denial of a merit salary adjustment for the year. If the annual performance appraisal is overdue at the time the merit decision is due, the Warden should require the supervisor to complete a performance appraisal and return it with the merit decision. In addition, the Warden should require supervisors to justify recommendations to grant merit salary adjustments to employees who have received disciplinary actions during the previous year, and he should require the Chief Deputy Warden to review such recommendations before granting merit salary adjustments. Also, the Warden should ensure that Folsom supervisors comply with state and prison regulations requiring regularly scheduled annual performance appraisals.

RESPONSE

To ensure all supervisors place a higher priority on performance appraisals and ensure a systematic, well-defined procedure, Warden's Directive #415,

Performance Appraisals, Employment Development and Merit Salary Adjustment has been revised with an effective date of March 1986 (annual revision). The procedure has incorporated the concerns addressed above in addition to providing training requirement guidelines to assist employee and supervisor. These procedures also hold supervisors accountable for adequate training and development of each subordinate. The procedures have incorporated a system of quality control giving supervisors responsibility for accurate reflection of employee performance and a requirement to document less than satisfactory performance. A procedure to review the employees file in conjunction with Performance Appraisal approvals will be implemented by the Warden's Office immediately. The same order will specify that supervisors granting Merit Salary Adjustments will determine prior to authorization that adverse action is not pending or in effect for the period covered by the MSA.

CHAPTER XV

ENSURING EQUAL OPPORTUNITY FOR ALL EMPLOYEES

ITEM 15.4

Employees believe that favoritism occurs frequently at the prison.

RECOMMENDATION

The Warden should ensure that supervisors alternate positions at reasonable intervals. Also, the Warden should continue efforts to implement Department of Corrections policy of assigning 60 percent of the custody job assignments on the basis of seniority, and the Warden should ensure that staff clearly understand the system for assigning employees to positions.

RESPONSE

Warden's Directive #210, Personnel Assignment and Seniority Policy (60/40), has been revised to incorporate the concerns addressed with an implementation date of February 1, 1986. In addition, a memorandum from the Correctional Captain reiterates implementation instructions to supervisors. The procedure adopts a change in the relief assignments, rotation of post assignments, and various special job assignments.

CHAPTER XV
ENSURING EQUAL OPPORTUNITIES FOR ALL EMPLOYEES

ITEM 15.5

The Warden needs to improve Folsom's affirmative action program.

RECOMMENDATION

The Warden should improve Folsom's efforts to meet Department of Corrections mandated affirmative action goals. Specifically, he should establish hiring rates and timetables to meet the overall affirmative action goals for Folsom. The Affirmative Action Coordinator should complete the inventory of Folsom's work force composition by job class in order to identify job classes in which women and minorities are underrepresented. Based on this inventory, the Warden should establish annual divisional hiring rates and assign Division Heads responsibility for meeting these rates. Further, the Warden should regularly communicate affirmative action goals to first line supervisors and managers involved in the selection and hiring process. The Warden should review Folsom's progress periodically and adjust the program when it is not effective. Finally, the Warden should assess the practicality of prison's work force composition goals and recommend appropriate changes to the Department of Corrections.

RESPONSE

Folsom is and will continue to improve its female and minority hiring in an effort to reach Folsom's, as well as the departmental, affirmative action goals as demonstrated by the updated affirmative action data and the increase in

minority hires. Division Heads have been assigned the responsibility of reviewing the work force composition by job class to establish divisional hiring goals and to develop methods for accomplishing these goals. The utilization of the Approval to Hire letter and the monthly report form allows the administration to monitor the selection process.

Folsom has initiated a procedure requiring all Divisions to submit to the Affirmative Action Coordinator a monthly report of sex and ethnicity of every employee by position. This provides an ongoing inventory of the work force composition to identify job classes in which women and minorities are under-represented.

Statistics indicate a small but steady increase in the number of minority and female staff. Efforts and commitment currently underway will continue this trend.

The Warden and Chief Deputy Warden routinely communicate the affirmative action goals to the Executive Staff Members at the weekly Warden's meeting. Each of these staff are charged with communicating these goals to managers and first line supervisors in their division. An Equal Employment Opportunity (EEO) bulletin board has been established and will be posted identifying the EEO Counselors.

The Warden routinely provides orientation to all new employees and attends the Women's Liaison Council Meeting to further communicate his affirmative action objectives.

Folsom has initiated a procedure requiring all Divisions to submit to the Affirmative Action Coordinator a monthly report of sex and ethnicity of every employee by position. This provides an ongoing inventory of the work force composition to identify job classes in which women and minorities are under-represented.

CHAPTER XVI
FOLLOWING STATE HIRING PROCEDURES

ITEM 16.1

Folsom appears to comply with all regulations except one for hiring employees from State Personnel Board certified lists.

RECOMMENDATION

The Personnel Office should ensure that Folsom supervisors implement the instructions they have received from the Acting Warden to make and retain summaries of interviews of job applicants from State Personnel Board certified civil service lists.

RESPONSE

On October 8, 1985, a new Approval to Appoint process was instituted. This process requires summaries of interviews to be attached to the Approval to Appoint Letter. This letter is the vehicle by which hires are authorized and is signed by the Division Head (Associate Warden), Affirmative Action Coordinator, Chief Deputy Warden and Warden. Approval to Appoint Letters are retained, along with all relevant materials including interview notes, in Personnel for a period of six months. Further, Department Heads have been instructed to maintain files of interview notes as well.

**AUDITOR GENERAL'S COMMENTS ON THE
DEPARTMENT OF CORRECTIONS' RESPONSE**

- ① Our report does not comment on either the use of force/harassment of inmates or conflict of interest.
- ② Our report does not comment on the reasonableness of the post-payment requirement.
- ③ All of the drugs that we examined were defined as dangerous drugs in Section 4211 of the Business and Professions Code. We confirmed with the executive officer of the State Board of Pharmacy that this code section appropriately defines dangerous drugs. Further, Folsom's pharmacist verified that all the drugs we examined were dangerous drugs.
- ④ This paragraph is not accurate. Our staff did not agree that these practices and procedures were either necessary or appropriate.
- ⑤ As noted on pages XIII-4 and XIII-5 of P-529, Volume 2, we analyzed all overtime hours worked for each watch. We determined that 96.5 percent of the time, no fewer than 27 custody personnel worked a full overtime shift each day. Folsom and the Department of Corrections confirmed that they had not analyzed all overtime worked by watch.
- ⑥ At the time of our review, Folsom did not have a written plan to expand the number of PIE's.

cc: Members of the Legislature
Office of the Governor
Office of the Lieutenant Governor
State Controller
Legislative Analyst
Assembly Office of Research
Senate Office of Research
Assembly Majority/Minority Consultants
Senate Majority/Minority Consultants
Capitol Press Corps